

KRIELOW, GILLESPIE & CO.

(A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS)

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INDEPENDENT AUDITORS' REPORT

The Honorable Gregory N. Marcantel, Mayor
and the Members of the City Council
City of Jennings, Louisiana

We have audited the accompanying primary government financial statements of the City of Jennings, Louisiana, as of and for the year ended June 30, 1996, as listed in the table of contents. These financial statements are the responsibility of the City of Jennings, Louisiana's management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and the provisions of the Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

A primary government is a legal entity or body politic and includes all funds, organizations, institutions, agencies, departments, and offices that are not legally separate. Such legally separate entities are referred to as component units. In our opinion, the primary government financial statements present fairly, in all material respects, the financial position of the primary government of the City of Jennings, Louisiana, as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

However, the primary government financial statements, because they do not include the financial data of component units of the City of Jennings, Louisiana, do not purport to, and do not, present fairly the financial position of the City of Jennings, Louisiana, as of June 30, 1996, and the results of its operations and cash flows of its proprietary fund types and nonexpendable trust funds for the year then ended in conformity with generally accepted accounting principles.

In accordance with *Government Auditing Standards*, we have also issued a report dated December 10, 1996, on our consideration of the City's internal control and a report dated December 10, 1996, on its compliance with laws and regulations.

Our audit was made for the purpose of forming an opinion on the financial statements taken as a whole. The combining, individual fund, and account group financial statements and other supplemental information listed in the table of contents is presented for purposes of additional analysis and are not a required part of the financial statements of the City of Jennings, Louisiana. Such information has been subjected to the auditing procedures applied in the audit of the financial statements and, in our opinion, is fairly presented in all material respects in relation to the financial statements taken as a whole.

Krielow, Gillespie & Co.

Certified Public Accountants

Jennings, Louisiana
December 10, 1996

CITY OF JENNINGS, LOUISIANA
 COMBINED STATEMENT OF CASH FLOWS
 ALL PROPRIETARY FUND TYPES AND SIMILAR TRUST FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996

	PROPRIETARY FUND TYPE ENTERPRISE	FIDUCIARY FUND PENSION TRUST	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 165,767	\$ (30,605)	\$ 135,162	\$ 141,485
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	136,296	-	136,296	119,655
Net Changes in Assets and Liabilities:				
Decrease (Increase) in Receivables	2,314	2,091	4,405	1,724
Decrease (Increase) in Inventory	2,279	-	2,279	(604)
Decrease (Increase) in Prepaid Insurance	-	-	-	1,926
Increase (Decrease) Accounts Payable	776,807	-	776,807	118,800
Increase in Accrued Payables	5,244	-	5,244	430
Net Cash Provided (Used) by Operating Activities	\$ 1,088,707	\$ (28,514)	\$ 1,060,193	\$ 383,416
Cash Flows from Non-Capital Financing Activities:				
Increase (Decrease) in Due to Other Funds	\$ -	\$ -	\$ -	\$ 58,434
Operating Transfers In	638,411	20,598	659,009	342,812
Operating Transfers (Out)	(126,031)	-	(126,031)	(126,614)
Licenses and Fees	-	13,035	13,035	16,027
Contributed Capital	-	-	-	104,898
Net Cash Provided (Used) by Non-Capital Financing Activities	\$ 512,380	\$ 33,633	\$ 546,013	\$ 395,557
Cash Flows from Capital and Related Financing Activities:				
Increase in Liabilities Payable from Restricted Assets	\$ 5,215	\$ -	\$ 5,215	\$ 8,330
Acquisition of Fixed Assets Construction	(243,830)	-	(243,830)	(314,073)
Proceeds from DEQ Loan	(1,573,704)	-	(1,573,704)	(8,349)
Other	1,136,270	-	1,136,270	-
	860	-	860	-
Net Cash (Used) by Capital and Related Financing Activities	\$ (675,189)	\$ -	\$ (675,189)	\$ (314,092)
Cash Flows from Investing Activities:				
Purchase of Short-Term Investments	\$ (701,264)	\$ -	\$ (701,264)	\$ (635,143)
Redemption of Short-Term Investments	120,000	-	120,000	258,603
Interest Income	48,583	45	48,628	21,218
Net Cash Provided (Used) by Investing Activities	\$ (532,681)	\$ 45	\$ (532,636)	\$ (355,322)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 393,217	\$ 5,164	\$ 398,381	\$ 109,559
Cash and Cash Equivalents-Beginning of Year	291,561	974	292,535	182,976
Cash and Cash Equivalents-End of Year	\$ 684,778	\$ 6,138	\$ 690,916	\$ 292,535
Cash and Cash Equivalents-End of Year Consist of:				
Unrestricted Cash	\$ 400	\$ -	\$ 400	\$ 400
Unrestricted Cash in Clearing Fund	673,651	6,138	679,789	282,063
Restricted Cash in Clearing Fund	5,440	-	5,440	-
Restricted Cash	5,287	-	5,287	10,072
Total	\$ 684,778	\$ 6,138	\$ 690,916	\$ 292,535

The Accompanying Notes Are An Integral Part Of These Financial Statements.

CITY OF JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENSES AND CHANGES IN
 RETAINED EARNINGS AND CONTRIBUTED CAPITAL-ALL PROPRIETARY
 FUND TYPES AND SIMILAR TRUST FUNDS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996

	PROPRIETARY FUND TYPE ENTERPRISE	FIDUCIARY FUND PENSION TRUST	TOTALS (MEMORANDUM ONLY)	
			JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
OPERATING REVENUES:				
Charges for Services-				
Water & Sewer Charges	\$ 1,210,235	\$ -	\$ 1,210,235	\$ 1,188,987
Water & Sewer Tap Charges	22,209	-	22,209	29,241
Rent & Utility Charges	66,659	-	66,659	55,973
Miscellaneous Revenues	11,112	-	11,112	7,058
Total Operating Revenues	\$ 1,310,215	\$ -	\$ 1,310,215	\$ 1,281,259
OPERATING EXPENSES:				
Waterworks	\$ 541,958	\$ -	\$ 541,958	\$ 527,198
Sewer Works Department	153,221	-	153,221	146,962
Sewer Plant	212,221	-	212,221	173,524
Revenue Office	149,390	-	149,390	140,001
Rental Expenses	87,658	-	87,658	83,189
Retirement Benefits	-	30,335	30,335	68,658
Miscellaneous	-	270	270	242
Total Operating Expenses	\$ 1,144,448	\$ 30,605	\$ 1,175,053	\$ 1,139,774
Operating Income (Loss)	\$ 165,767	\$ (30,605)	\$ 135,162	\$ 141,485
NONOPERATING REVENUES (EXPENSES):				
Interest Income	\$ 48,583	\$ 45	\$ 48,628	\$ 21,218
Licenses & Fines	-	13,035	13,035	16,027
Gain (Loss) on Disposition	(318)	-	(318)	(2,325)
Total Nonoperating Revenues	\$ 48,265	\$ 13,080	\$ 61,345	\$ 34,920
Income (Loss) Before Operating Transfers	\$ 214,032	\$ (17,525)	\$ 196,507	\$ 176,405
OPERATING TRANSFERS IN (OUT):				
From Capital Improvements Fund	\$ 35,561	\$ -	\$ 35,561	\$ -
From 1994 1% Sales Tax Fund	602,850	-	602,850	291,667
From General Fund	-	20,598	20,598	51,145
To General Fund	(126,031)	-	(126,031)	(126,614)
Total Operating Transfers in (Out)	\$ 512,380	\$ 20,598	\$ 532,978	\$ 216,198
NET INCOME	\$ 726,412	\$ 3,073	\$ 729,485	\$ 392,603
Decrease in Reserve for Deposits	\$ -	\$ -	\$ -	\$ 249
Unreserved Retained Earnings, Beginning	1,620,554	-	1,620,554	1,226,119
Increase (Decrease) in Reserved for Employee's Retirement System	-	(3,073)	(3,073)	1,583
Unreserved Retained Earnings, Ending	\$ 2,346,966	\$ -	\$ 2,346,966	\$ 1,620,554
Contributed Capital, Beginning	\$ 632,229	\$ -	\$ 632,229	\$ 527,331
Current Year Contributions	-	-	-	104,898
Contributed Capital, Ending	\$ 632,229	\$ -	\$ 632,229	\$ 632,229

The Accompanying Notes Are An Integral Part of These Financial Statements.

CITY OF JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCES-BUDGET (GAAP BASIS) AND ACTUAL
GENERAL, SPECIAL REVENUE AND DEBT SERVICE FUND TYPES
FOR THE FISCAL YEAR ENDED JUNE 30, 1996

	GENERAL FUND			SPECIAL REVENUE FUND TYPES			DEBT SERVICE FUND TYPE		
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)
REVENUES:									
Taxes	\$ 1,775,000	\$ 1,900,125	\$ 125,125	\$ 1,785,000	\$ 1,961,877	\$ 176,877	\$ -	\$ -	\$ -
Licenses and Permits	265,000	333,482	68,482	-	-	-	-	-	-
Intergovernmental Revenue	93,000	98,735	5,735	98,000	95,374	(3,626)	-	-	-
Charges for Services	325,700	332,812	7,112	1,800	1,671	(129)	-	-	-
Fines and Forfeits	44,550	38,207	(6,343)	700	1,031	331	-	-	-
Miscellaneous Revenues	271,313	343,552	72,239	305,978	389,693	83,715	800	26,048	25,248
Total Revenues	\$ 2,774,563	\$ 3,046,913	\$ 272,350	\$ 2,192,478	\$ 2,449,646	\$ 257,168	\$ 800	\$ 26,048	\$ 25,248
EXPENDITURES:									
Current:									
General Government	\$ 444,139	\$ 418,795	\$ 25,344	\$ 289,960	\$ 240,943	\$ 59,017	\$ -	\$ -	\$ -
Public Safety	1,724,532	1,656,615	67,917	297,800	306,603	(8,803)	-	-	-
Public Works	137,307	109,394	27,913	1,464,514	1,428,112	36,402	-	-	-
Sanitation	235,775	222,951	12,824	-	-	-	-	-	-
Culture and Recreation	330,733	312,580	18,153	360,059	311,098	48,963	-	-	-
Other	36,556	36,185	371	-	-	-	-	-	-
Total Expenditures	\$ 2,909,042	\$ 2,756,520	\$ 152,522	\$ 2,422,333	\$ 2,286,754	\$ 135,579	\$ -	\$ -	\$ -
Excess (Deficiency) of Revenues Over Expenditures	\$ (134,479)	\$ 290,393	\$ 424,872	\$ (229,855)	\$ 162,892	\$ 392,747	\$ 800	\$ 26,048	\$ 25,248
OTHER FINANCING SOURCES (USES):									
Operating Transfers In	\$ 125,000	\$ 126,031	\$ 1,031	\$ 106,014	\$ 132,062	\$ 26,048	\$ -	\$ -	\$ -
Operating Transfers Out	-	-	-	(841,971)	(775,718)	66,253	-	(26,048)	(26,048)
Total Other Financing Sources (Uses)	\$ 125,000	\$ 126,031	\$ 1,031	\$ (735,957)	\$ (643,656)	\$ 92,301	\$ -	\$ (26,048)	\$ (26,048)
Excess (Deficiency) of Revenues Over Expenditures and Other Uses	\$ (9,479)	\$ 418,424	\$ 425,903	\$ (966,812)	\$ (480,764)	\$ 485,048	\$ 800	\$ -	\$ (800)
Unreserved Fund Balance-Beginning	\$ 843,124	\$ 843,124	\$ -	\$ 2,410,187	\$ 2,410,187	\$ -	\$ -	\$ -	\$ -
Decrease in Reserves	-	32,634	32,634	-	-	-	-	-	-
Reserved for Encumbrances	-	(34,220)	(34,220)	-	-	-	-	-	-
(Increase) Decrease in Reserve for Revolving Loan Program	-	-	-	(3,579)	(6,294)	(2,715)	-	-	-
Unreserved Fund Balance-Ending	\$ 833,645	\$ 1,257,962	\$ 424,317	\$ 1,440,796	\$ 1,923,129	\$ 482,333	\$ 800	\$ -	\$ (800)

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

(1) SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES

The City of Jennings was incorporated May 2, 1888 and has adopted a Home Rule Charter according to Title 33 of the Louisiana Revised Statutes. The City operates under a Mayor-City Council form of government and provides the following services as authorized by its charter: public safety (police and fire), public works (streets and lighting), sanitation, health, culture-recreation, public improvements, planning and general administrative services.

The accounting and reporting policies of the City of Jennings conform to generally accepted accounting principles as applicable to governments. Such accounting and reporting procedures also conform to the requirements of Louisiana Revised Statutes 24:517 and to the guides set forth in the *Louisiana Governmental Audit Guide*, and to the industry audit guide, *Audits of State and Local Governmental Units*, published by the American Institute of Certified Public Accountants. Our examination was also made in accordance with the provisions of *Government Auditing Standards*, promulgated by the United States Comptroller General, as they pertain to financial and compliance audits.

The following is a summary of the more significant accounting policies.

A. REPORTING ENTITY

The financial reporting entity consists of (a) the primary government (City), (b) organizations for which the primary government is financially accountable, and (c) other organizations for which nature and significance of their relationship with the primary government are such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Governmental Accounting Standards Board (GASB) Statement No. 14 established criteria for determining which component units should be considered part of the City for financial reporting purposes. The basic criterion for including a potential component unit within the reporting entity is the financial accountability. The GASB has set forth criteria to be considered in determining financial accountability. This criteria includes:

1. Appointing a voting majority of an organization's governing body, and
 - a. The ability of the City to impose its will on the organization and/or
 - b. The potential for the organization to provide specific financial benefits to or impose specific financial burdens on the City.
2. Organizations for which the City does not appoint a voting majority but are fiscally dependent on the City.
3. Organizations for which the reporting entity financial statements would be misleading if data of the organization is not included because of the nature or significance of the relationship.

Based on the previous criteria, the City has determined that the following component units are part of the reporting entity:

CITY OF JENNINGS, LOUISIANA
 COMBINED BALANCE SHEET
 ALL FUND TYPES AND ACCOUNT GROUPS
 JUNE 30, 1996

	GOVERNMENTAL FUND TYPES				FIDUCIARY FUND TYPE	ACCOUNT GROUPS		TOTALS (MEMORANDUM ONLY)	
	PROPRIETARY FUND TYPE		GENERAL			GENERAL	LONG-TERM DEBT	JUNE 30, 1996	JUNE 30, 1995 (RESTATE)
	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS	ENTERPRISE					
ASSETS:									
Cash	\$ 20,119	\$ 26,461	\$ -	\$ 400	\$ 1,106,629	\$ -	\$ -	\$ 1,353,649	\$ 1,129,760
Investments, at Cost or Amortized Cost	1,000,000	1,496,794	-	1,092,804	-	-	-	3,589,598	3,033,277
Receivables:									
Accounts	124,952	-	-	83,225	-	-	-	208,177	206,163
Other	-	126,967	-	78,695	-	-	-	205,662	189,991
1% Sales Tax	-	17,205	-	-	-	-	-	17,205	14,814
Due from Other Funds	177,281	405,380	-	673,651	6,138	-	-	1,262,450	1,068,152
Inventory, at Cost	34,220	-	-	1,556	-	-	-	35,776	36,469
Prepaid Insurance	-	-	-	6,261	-	-	-	6,261	6,266
Restricted Assets:									
Due from Clearing Fund-Sinking Fund	-	-	-	5,440	-	-	-	5,440	-
Due from Clearing Fund-Sinking Fund	-	25,538	-	5,287	-	-	-	30,845	17,765
Cash	-	100,000	-	110,000	-	-	-	210,000	200,000
Investments, at Cost or Amortized Cost	-	-	-	-	-	-	-	-	23,144
Loan Receivable	-	-	-	3,127,149	-	-	-	9,750,138	7,546,707
Fixed Assets (Net of Accumulated Depreciation)	-	-	-	-	-	6,622,989	47,424	6,670,413	60,046
Amount to be Provided for Accumulated Unpaid Leave	-	-	-	-	-	-	-	-	-
Total Assets	\$ 1,356,612	\$ 2,198,365	\$ -	\$ 5,184,468	\$ 1,312,767	\$ 6,622,989	\$ 47,424	\$ 16,722,625	\$ 13,532,554
LIABILITIES AND FUND EQUITIES:									
Liabilities:									
Accounts Payable	\$ 54,430	\$ 149,678	\$ -	\$ 923,284	\$ -	\$ -	\$ -	\$ 1,313,056	\$ 263,264
Accrued Liabilities	-	-	-	14,197	1,567	-	-	15,764	17,497
Employee Withholding Payable from Restricted Assets	-	-	-	119,600	37,173	-	-	37,173	28,612
Accrued Interest	-	-	-	5,440	-	-	-	119,600	114,385
Due to Other Funds	-	-	-	-	1,267,889	-	-	5,440	-
Due to Other Governments	-	-	-	-	-	-	-	1,267,889	1,068,152
Prepaid Accounts for Customers	-	-	-	2,169	-	-	-	2,169	203,205
Accumulated Unpaid Leave	-	-	-	-	-	-	47,424	47,424	60,046
Bonds Payable-DEQ	-	-	-	1,136,270	-	-	-	1,136,270	-
Total Liabilities	\$ 54,430	\$ 149,678	\$ -	\$ 1,85,664	\$ 1,306,629	\$ -	\$ 47,424	\$ 3,944,785	\$ 1,757,562
Fund Equity:									
Contributed Capital	\$ -	\$ -	\$ -	\$ 632,229	\$ -	\$ -	\$ -	\$ 632,229	\$ 632,229
Investment in General Fixed Assets	-	-	-	-	-	6,622,989	-	6,622,989	6,099,623
Retained Earnings:									
Unreserved	-	-	-	2,346,966	-	-	-	2,346,966	1,620,554
Reserved for Deposits	-	-	-	4,313	-	-	-	4,313	4,313
Reserved for Employee's Retirement System	-	-	-	6,138	-	-	-	6,138	3,065
Fund Balance:									
Reserved for Inventory	34,220	-	-	-	-	-	-	34,220	32,634
Reserved for Impact Fee	10,000	-	-	-	-	-	-	10,000	10,000
Reserved for Revolving Loan Program	-	125,538	-	-	-	-	-	125,538	119,264
Unreserved-Unobligated	1,257,962	1,923,129	(183,664)	-	-	-	-	2,995,427	3,253,310
Total Fund Equity	\$ 1,302,182	\$ 2,048,687	\$ -	\$ 2,983,508	\$ 6,138	\$ 6,622,989	\$ 47,424	\$ 16,722,625	\$ 13,532,554
Total Liabilities and Fund Equity	\$ 1,356,612	\$ 2,198,365	\$ -	\$ 5,184,468	\$ 1,312,767	\$ 6,622,989	\$ 47,424	\$ 16,722,625	\$ 13,532,554

CITY OF JENNINGS, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1996

(2) PROPERTY TAXES

A. MILLAGE

Taxes are levied on November 15 and payable by December 31. The City bills and collects its own property taxes. The property tax millage in effect at June 30, 1996 according to Ordinance No. 1272, was as follows:

General Alimony	7.47	Mills
Street Maintenance	8.97	
Library Maintenance	<u>3.93</u>	
Total	<u>20.37</u>	Mills

There are no material taxes receivables as of June 30, 1996 as all taxes have either been collected or properties have been seized and sold.

(3) REQUIRED INDIVIDUAL FUND DISCLOSURES

Generally accepted accounting principles require disclosures, as part of the Combined Statements - Overview, of certain other information concerning individual funds including:

A. Excesses of expenditures and/or expenses and other uses over appropriations in individual funds-

Perpetual Care Fund expenditures of \$270 exceeded appropriations of \$260.

B. Deficits in fund balance or retained earnings of individual funds at June 30, 1996-

Street Grant Fund had a deficit fund balance of \$185,664.

C. Individual fund interfund receivable and payable balances:

Such balances at June 30, 1996 were-

<u>FUND</u>	<u>INTERFUND RECEIVABLE</u>	<u>INTERFUND PAYABLE</u>
General Fund:	\$ 177,281	
Special Revenue Funds:		
Street Fund	70,163	
Library Fund	77,793	
Perpetual Care Fund	7,304	
Capital Improvements Fund	108,587	
1994 1% Sales Tax Fund	141,532	
Enterprise Funds:		
Utility Fund-Restricted	5,440	
Utility Fund	663,341	
Zigler Complex Fund	10,310	
Fiduciary Funds:		
Pension Trust Fund	6,138	
Clearing Fund	-	1,267,889
	<u>\$ 1,267,889</u>	<u>\$ 1,267,889</u>

CITY OF JENNINGS, LOUISIANA

ANNUAL FINANCIAL REPORT
JUNE 30, 1996

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CITY OF JENNINGS, LOUISIANA

ANNUAL FINANCIAL REPORT

JUNE 30, 1996

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Release Date 4-2-97

CITY OF JENNINGS, LOUISIANA

COMBINED STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCES
 ALL GOVERNMENTAL FUND TYPES
 FOR THE YEAR ENDED JUNE 30, 1996

	GENERAL	SPECIAL REVENUE	DEBT SERVICE	CAPITAL PROJECTS FUND	TOTALS (MEMORANDUM ONLY)	
					JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
REVENUES:						
Taxes	\$ 1,900,125	\$ 1,961,877	\$ -	\$ -	\$ 3,862,002	\$ 3,197,568
Licenses and Permits	333,482	-	-	-	333,482	312,357
Intergovernmental Revenues	98,735	95,374	-	25,218	219,327	295,258
Charges for Services	332,812	1,671	-	-	334,483	329,538
Fines and Forfeits	38,207	1,031	-	-	39,238	45,737
Miscellaneous Revenues	343,552	389,693	26,048	-	759,293	1,091,757
Total Revenues	<u>\$ 3,046,913</u>	<u>\$ 2,449,646</u>	<u>\$ 26,048</u>	<u>\$ 25,218</u>	<u>\$ 5,547,825</u>	<u>\$ 5,272,215</u>
EXPENDITURES:						
Current:						
General Government	\$ 418,795	\$ 240,943	\$ -	\$ -	\$ 659,738	\$ 514,366
Public Safety	1,656,615	306,603	-	-	1,963,218	1,678,510
Public Works	109,394	1,428,112	-	221,577	1,759,083	969,006
Sanitation	222,951	-	-	-	222,951	233,245
Culture and Recreation	312,580	311,096	-	-	623,676	625,035
Other	36,185	-	-	-	36,185	36,494
Total Expenditures	<u>\$ 2,756,520</u>	<u>\$ 2,286,754</u>	<u>\$ -</u>	<u>\$ 221,577</u>	<u>\$ 5,264,851</u>	<u>\$ 4,056,656</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 290,393</u>	<u>\$ 162,892</u>	<u>\$ 26,048</u>	<u>\$ (196,359)</u>	<u>\$ 282,974</u>	<u>\$ 1,215,559</u>
OTHER FINANCING SOURCES (USES)						
Transfers In	\$ 126,031	\$ 132,062	\$ -	\$ 10,695	\$ 268,788	\$ 300,629
Transfers Out	-	(775,718)	(26,048)	-	(801,766)	(516,826)
Total Other Financing Sources (Uses)	<u>\$ 126,031</u>	<u>\$ (643,656)</u>	<u>\$ (26,048)</u>	<u>\$ 10,695</u>	<u>\$ (532,978)</u>	<u>\$ (216,197)</u>
Excess (Deficiency) of Revenues and Other Sources over Expenditures and Other Uses	<u>\$ 416,424</u>	<u>\$ (480,764)</u>	<u>\$ -</u>	<u>\$ (185,664)</u>	<u>\$ (250,004)</u>	<u>\$ 999,362</u>
Unreserved Fund Balances-Beginning	\$ 843,124	\$ 2,410,187	\$ -	\$ -	\$ 3,253,311	\$ 2,214,171
Decrease in Reserves	32,634	-	-	-	32,634	35,077
Reserved for Encumbrances	-	-	-	-	-	42,213
(Increases) Decrease in Reserve for Inventory	(34,220)	-	-	-	(34,220)	(32,634)
(Increase) Decrease in Reserve for Revolving Loan Program	-	(6,294)	-	-	(6,294)	(4,878)
Unreserved Fund Balances-Ending	<u>\$ 1,257,962</u>	<u>\$ 1,923,129</u>	<u>\$ -</u>	<u>\$ (185,664)</u>	<u>\$ 2,995,427</u>	<u>\$ 3,253,311</u>

The Accompanying Notes Are An Integral Part Of These Financial Statements

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

Firefighters' Retirement System, Post Office Box 94095, Baton Rouge, Louisiana 70804, or by calling (504) 925-4060.

Funding Policy. Plan members are required by state statute to contribute 8.0 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings' contributions to the System for the year ending June 30, 1996, 1995, and 1994, were \$17,128, \$15,942, and \$12,237, respectively, equal to the required contributions for each year.

D. Louisiana State Employees Retirement System

Plan Description. The City contributes to this plan on behalf of the city judge of the City Court of Jennings (Ward 2). This is a cost-sharing multiple-employer defined benefit pension that provides for retirement and disability benefits and death benefits to plan members and beneficiaries. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Louisiana State Employees Retirement System, P.O. Box 44213, Capitol Station, Baton Rouge, Louisiana 70804-4213 or by calling 1-800-256-3000.

Funding Policy. Plan members are required by state statute to contribute 11.5 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 11.9 percent of annual covered payroll. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System for the years ending June 30, 1996, 1995 and 1994, were \$677, \$679, and \$421, respectively, equal to the required contributions for each year.

E. Police Pension and Relief Trust Fund

Through December 31, 1995, the City of Jennings sponsored a retirement plan for certain police employees that was funded by liquor licenses, court fines and a transfer from the City's general fund. Participation was limited as this plan had been phased out and replaced with participation in the Social Security System. Police employees employed at that time were allowed to continue their participation with this plan. All participants in the plan have retired and are receiving benefits.

However, with the mandatory coverage of all other police employees by the Municipal Police Employees Retirement System (MPERS) beginning in the fiscal year ended June 30, 1994, there was a provision allowing for the merger of this plan with MPERS. The City elected to merge this plan and on January 1, 1996, MPERS assumed responsibility for pension benefits being paid to participants in this plan. The City has not determined the appropriate disposition of the assets remaining in this fund, and therefore, has continued its existence.

CITY OF JENNINGS, LOUISIANA

UTILITY FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL, BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
OPERATING REVENUES:				
Charges for Services:				
Water & Sewer Charges	\$ 1,167,500	\$ 1,210,235	\$ 42,735	\$ 1,188,987
Water & Sewer Tap Charges	19,000	22,209	3,209	29,241
Sale of Trash Bags	7,000	3,882	(3,118)	5,903
UST Reimbursement	-	4,803	4,803	-
Miscellaneous Revenue	350	1,800	1,450	437
Total Operating Revenues	<u>\$ 1,193,850</u>	<u>\$ 1,242,929</u>	<u>\$ 49,079</u>	<u>\$ 1,224,568</u>
OPERATING EXPENSES:				
Water Works Department:				
Salaries	\$ 208,334	\$ 187,311	\$ 21,023	\$ 190,028
Overtime	5,250	13,329	(8,079)	11,775
Employee Benefits	45,466	41,213	4,253	39,517
Supplies	83,300	89,799	(6,499)	84,518
Repairs & Maintenance	47,000	44,276	2,724	46,979
Engineer Retainer	1,800	1,800	-	1,650
Audit Fee	2,730	2,835	(105)	2,904
Postage & Freight	695	575	120	607
Travel & Meals	500	300	200	105
Seminars & Workshops	1,500	938	562	563
Gas & Oil	5,000	5,310	(310)	4,832
Insurance	36,092	32,393	3,699	32,529
Utilities	57,500	64,647	(7,147)	57,135
Miscellaneous	2,600	1,885	715	621
UST Closure	-	31	(31)	3,809
Depreciation	38,750	55,316	(16,566)	49,626
Total Water Works Department	<u>\$ 536,517</u>	<u>\$ 541,958</u>	<u>\$ (5,441)</u>	<u>\$ 527,198</u>
Sewer Works Department:				
Salaries	\$ 81,790	\$ 75,390	\$ 6,400	\$ 75,565
Overtime	2,750	4,002	(1,252)	3,085
Employee Benefits	17,425	13,880	3,545	12,734
Supplies	3,000	4,070	(1,070)	-
Sewer Rehabilitation	27,000	17,173	9,827	23,190
Repairs & Maintenance	26,905	16,291	10,614	17,432
Audit Fees	1,170	1,215	(45)	-
Postage & Freight	390	327	63	-
Gas & Oil	4,000	2,921	1,079	3,159
Insurance	11,202	12,420	(1,218)	6,500
Depreciation	5,250	5,250	-	5,250
Miscellaneous	250	282	(32)	47
Total Sewer Plant Department	<u>\$ 181,132</u>	<u>\$ 153,221</u>	<u>\$ 27,911</u>	<u>\$ 146,962</u>

CITY OF JENNINGS, LOUISIANA

UTILITY FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1996 AND 1995

	JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
<u>ASSETS</u>		
<u>UNRESTRICTED ASSETS:</u>		
Cash	\$ 400	\$ 400
Investments, at Cost	1,092,804	511,540
Receivables:		
Accounts	83,225	84,588
Unbilled Receivable	76,841	73,984
Other	1,854	5,662
Inventory	1,556	3,835
Prepaid Insurance	5,113	5,118
Due from Clearing Fund	663,341	256,530
Total Unrestricted Assets	<u>\$ 1,925,134</u>	<u>\$ 941,657</u>
<u>RESTRICTED ASSETS:</u>		
Due from Clearing Fund-Sinking Fund	\$ 5,440	\$ -
Cash:		
Water & Sewer Deposits	5,287	10,072
Investments, at Cost:		
From Water and Sewer Deposits	110,000	100,000
Total Restricted Assets	<u>\$ 120,727</u>	<u>\$ 110,072</u>
<u>PROPERTY, PLANT AND EQUIPMENT:</u>		
Land	\$ 176,607	\$ 176,607
Building and Improvements	1,704,795	1,697,196
Machinery and Equipment	1,919,170	1,826,884
Accumulated Depreciation	(2,502,699)	(2,469,332)
Construction in Progress	1,582,073	8,371
Net Property, Plant and Equipment	<u>\$ 2,879,946</u>	<u>\$ 1,239,726</u>
Total Assets	<u>\$ 4,925,807</u>	<u>\$ 2,291,455</u>
<u>LIABILITIES AND FUND EQUITY</u>		
<u>CURRENT LIABILITIES (PAYABLE FROM CURRENT ASSETS):</u>		
Accounts Payable	\$ 923,140	\$ 146,437
Accrued Liabilities	14,197	14,161
Prepaid Accounts for Customers	893	1,125
Total Current Liabilities (Payable from Current Assets)	<u>\$ 938,230</u>	<u>\$ 161,723</u>
<u>CURRENT LIABILITIES (PAYABLE FROM RESTRICTED ASSETS):</u>		
Customer Deposits	\$ 119,600	\$ 114,385
Accrued Interest	5,440	-
Total Current Liabilities (Payable from Restricted Assets)	<u>\$ 125,040</u>	<u>\$ 114,385</u>
<u>LONG-TERM LIABILITIES:</u>		
Bonds Payable-DEQ	<u>\$ 1,136,270</u>	<u>\$ -</u>
Total Liabilities	<u>\$ 2,199,540</u>	<u>\$ 276,108</u>
<u>FUND EQUITY:</u>		
Contributed Capital	\$ 632,229	\$ 632,229
Retained Earnings:		
Reserved for Deposits	4,313	4,313
Unreserved	2,089,725	1,378,805
Total Fund Equity	<u>\$ 2,726,267</u>	<u>\$ 2,015,347</u>
Total Liabilities and Fund Equity	<u>\$ 4,925,807</u>	<u>\$ 2,291,455</u>

CITY OF JENNINGS, LOUISIANA

 ENTERPRISE FUNDS
 COMBINING STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996

WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1995

	UTILITY FUND	ZIGLER COMPLEX FUND	TOTALS	
			JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
Cash Flows from Operating Activities:				
Operating Income (Loss)	\$ 186,139	\$ (20,372)	\$ 165,767	\$ 210,385
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:				
Depreciation	113,662	22,634	136,296	119,655
Net Changes in Assets and Liabilities:				
(Increase) in Receivables	2,314	-	2,314	3,815
(Increase) in Inventory	2,279	-	2,279	(604)
(Increase) in Prepaid Insurance	-	-	-	1,926
Increase (Decrease) Accounts Payable	776,703	104	776,807	118,800
Increase (Decrease) in Accrued Payables	5,244	-	5,244	430
Net Cash Provided (Used) by Operating Activities	\$ 1,086,341	\$ 2,366	\$ 1,088,707	\$ 454,407
Cash Flows from Non-Capital Financing Activities:				
Increase in Due from Other Governments	\$ -	\$ -	\$ -	\$ 58,434
Operating Transfers In	603,411	35,000	638,411	291,667
Operating Transfers (Out)	(126,031)	-	(126,031)	(126,614)
Contributed Capital	-	-	-	104,898
Net Cash Provided (Used) by Non-Capital Financing Activities	\$ 477,380	\$ 35,000	\$ 512,380	\$ 328,385
Cash Flows from Capital and Related Financing Activities:				
Increase in Liabilities Payable from Restricted Assets	\$ 5,215	\$ -	\$ 5,215	\$ 8,330
Acquisition of Fixed Assets Construction	(181,351)	(62,479)	(243,830)	(314,073)
Proceeds from DEQ Loan	(1,573,704)	-	(1,573,704)	(8,349)
Other	1,136,270	-	1,136,270	-
	860	-	860	-
Net Cash (Used) by Capital and Related Financing Activities	\$ (612,710)	\$ (62,479)	\$ (675,189)	\$ (314,092)
Cash Flows from Investing Activities:				
Purchase of Short-Term Investments	\$ (691,264)	\$ (10,000)	\$ (701,264)	\$ (635,143)
Redemption of Short-Term Investments	100,000	20,000	120,000	258,603
Interest Income	47,719	864	48,583	21,073
Net Cash Provided (Used) by Investing Activities	\$ (543,545)	\$ 10,864	\$ (532,681)	\$ (355,467)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 407,466	\$ (14,249)	\$ 393,217	\$ 113,233
Cash and Cash Equivalents-Beginning of Year	267,002	24,559	291,561	178,328
Cash and Cash Equivalents-End of Year	\$ 674,468	\$ 10,310	\$ 684,778	\$ 291,561
Cash and Cash Equivalents-End of Year Consist of:				
Unrestricted Cash	\$ 400	\$ -	\$ 400	\$ 400
Unrestricted Cash in Clearing Fund	663,341	10,310	673,651	281,089
Restricted Cash in Clearing Fund	5,440	-	5,440	-
Restricted Cash	5,287	-	5,287	10,072
Total	\$ 674,468	\$ 10,310	\$ 684,778	\$ 291,561

CITY OF JENNINGS, LOUISIANA

ENTERPRISE FUNDS
 COMBINING STATEMENT OF REVENUES,
 EXPENSES, AND CHANGES IN RETAINED EARNINGS AND CONTRIBUTED CAPITAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 1995

	UTILITY FUND	ZIGLER COMPLEX FUND	TOTALS	
			JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
OPERATING REVENUES:				
Charges for Services:				
Water & Sewer Charges	\$ 1,210,235	\$ -	\$ 1,210,235	\$ 1,188,987
Water & Sewer Tap Charges	22,209	-	22,209	29,241
Rent & Utility Charges	-	66,659	66,659	55,973
Miscellaneous Revenue	10,485	627	11,112	7,058
Total Operating Revenues	<u>\$ 1,242,929</u>	<u>\$ 67,286</u>	<u>\$ 1,310,215</u>	<u>\$ 1,281,259</u>
OPERATING EXPENSES:				
Waterworks	\$ 541,958	\$ -	\$ 541,958	\$ 527,198
Sewer Works Department	153,221	-	153,221	146,962
Sewer Plant	212,221	-	212,221	173,524
Revenue Office	149,390	-	149,390	140,001
Rental Expenses	-	87,658	87,658	83,189
Total Operating Expenses	<u>\$ 1,056,790</u>	<u>\$ 87,658</u>	<u>\$ 1,144,448</u>	<u>\$ 1,070,874</u>
Operating Income (Loss)	<u>\$ 186,139</u>	<u>\$ (20,372)</u>	<u>\$ 165,767</u>	<u>\$ 210,385</u>
NONOPERATING REVENUES (EXPENSES):				
Interest Income	\$ 47,719	\$ 864	\$ 48,583	\$ 21,073
Gain (Loss) on Disposition	(318)	-	(318)	(2,325)
Total Nonoperating Revenue (Expenses)	<u>\$ 47,401</u>	<u>\$ 864</u>	<u>\$ 48,265</u>	<u>\$ 18,748</u>
Income Before Operating Transfers	<u>\$ 233,540</u>	<u>\$ (19,508)</u>	<u>\$ 214,032</u>	<u>\$ 229,133</u>
OPERATING TRANSFERS IN (OUT):				
From Capital Improvement Fund	\$ 561	\$ 35,000	\$ 35,561	\$ -
1994 1% Sales Tax Fund	602,850	-	602,850	291,667
To General Fund	(126,031)	-	(126,031)	(126,614)
Total Operating Transfers In (Out)	<u>\$ 477,380</u>	<u>\$ 35,000</u>	<u>\$ 512,380</u>	<u>\$ 165,053</u>
Net Income (Loss)	<u>\$ 710,920</u>	<u>\$ 15,492</u>	<u>\$ 726,412</u>	<u>\$ 394,186</u>
Decrease in Reserve for Deposits	\$ -	\$ -	\$ -	\$ 249
Unreserved Retained Earnings, Beginning	<u>\$ 1,378,805</u>	<u>\$ 241,749</u>	<u>\$ 1,620,554</u>	<u>\$ 1,226,119</u>
Unreserved Retained Earnings, Ending	<u>\$ 2,089,725</u>	<u>\$ 257,241</u>	<u>\$ 2,346,966</u>	<u>\$ 1,620,554</u>
Contributed Capital, Beginning	\$ 632,229	\$ -	\$ 632,229	\$ 527,331
Capital Grants	-	-	-	98,661
Government's Contribution	-	-	-	6,237
Contributed Capital, Ending	<u>\$ 632,229</u>	<u>\$ -</u>	<u>\$ 632,229</u>	<u>\$ 632,229</u>

CITY OF JENNINGS, LOUISIANA
 ENTERPRISE FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1995

	UTILITY FUND	ZIGLER COMPLEX FUND	TOTALS	
			JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
ASSETS				
UNRESTRICTED				
Cash	\$ 400	\$ -	\$ 400	\$ 400
Investments, at Cost	1,092,804	-	1,092,804	521,540
Receivables:				
Accounts	83,225	-	83,225	84,588
Other	78,695	-	78,695	79,646
Prepaid Insurance	5,113	1,148	6,261	6,266
Inventory	1,556	-	1,556	3,835
Due from Clearing Fund	663,341	10,310	673,651	281,089
Total Unrestricted Assets	<u>\$ 1,925,134</u>	<u>\$ 11,458</u>	<u>\$ 1,936,592</u>	<u>\$ 977,364</u>
RESTRICTED:				
Due from Clearing Fund-Sinking Fund	\$ 5,440	\$ -	\$ 5,440	\$ -
Cash	5,287	-	5,287	10,072
Investments, at Cost	110,000	-	110,000	100,000
Total Restricted Assets	<u>\$ 120,727</u>	<u>\$ -</u>	<u>\$ 120,727</u>	<u>\$ 110,072</u>
PROPERTY, PLANT AND EQUIPMENT:				
Land	\$ 176,607	\$ -	\$ 176,607	\$ 176,607
Building and Improvements	1,704,795	394,321	2,099,116	2,029,727
Machinery and Equipment	1,919,170	-	1,919,170	1,826,884
Furniture and Fixtures	-	49,431	49,431	49,597
Accumulated Depreciation	(2,502,699)	(196,549)	(2,699,248)	(2,644,102)
Construction in Progress	1,582,073	-	1,582,073	8,371
Net Property, Plant and Equipment	<u>\$ 2,879,946</u>	<u>\$ 247,203</u>	<u>\$ 3,127,149</u>	<u>\$ 1,447,084</u>
Total Assets	<u>\$ 4,925,807</u>	<u>\$ 258,661</u>	<u>\$ 5,184,468</u>	<u>\$ 2,534,520</u>
LIABILITIES AND FUND EQUITY				
LIABILITIES:				
Current Liabilities (Payable from				
Current Assets):				
Accounts Payable	\$ 923,140	\$ 144	\$ 923,284	\$ 146,477
Accrued Liabilities	14,197	-	14,197	14,161
Lessee Deposits	-	1,276	1,276	1,276
Prepaid Accounts	893	-	893	1,125
Total Current Liabilities (Payable from Current Assets)	<u>\$ 938,230</u>	<u>\$ 1,420</u>	<u>\$ 939,650</u>	<u>\$ 163,039</u>
Current Liabilities (Payable from				
Restricted Assets):				
Deposits	\$ 119,600	\$ -	\$ 119,600	\$ 114,385
Accrued Interest	5,440	-	5,440	-
Total Current Liabilities (Payable from Restricted Assets)	<u>\$ 125,040</u>	<u>\$ -</u>	<u>\$ 125,040</u>	<u>\$ 114,385</u>
Long-Term Liabilities:				
Bonds Payable-DEQ	\$ 1,136,270	\$ -	\$ 1,136,270	\$ -
Total Liabilities	<u>\$ 2,199,540</u>	<u>\$ 1,420</u>	<u>\$ 2,200,960</u>	<u>\$ 277,424</u>
FUND EQUITY:				
Contributed Capital	\$ 632,229	\$ -	\$ 632,229	\$ 632,229
Retained Earnings:				
Reserved for Deposits	4,313	-	4,313	4,313
Unreserved	2,089,725	257,241	2,346,966	1,620,554
Total Fund Equity	<u>\$ 2,726,267</u>	<u>\$ 257,241</u>	<u>\$ 2,983,508</u>	<u>\$ 2,257,096</u>
Total Liabilities and Fund Equity	<u>\$ 4,925,807</u>	<u>\$ 258,661</u>	<u>\$ 5,184,468</u>	<u>\$ 2,534,520</u>

CITY OF JENNINGS, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1996

(16) SEGMENT INFORMATION FOR ENTERPRISE FUNDS

The City maintains two enterprise funds which provide utilities (water and sewer) and an office/apartment complex. Segment information for the year ended June 30, 1996 was as follows:

	Public Utility	Office/ Apartment Complex	Total Enterprise Funds
Operating Revenues	\$ 1,242,929	\$ 67,286	\$ 1,310,215
Depreciation	113,662	22,634	136,296
Operating Income (Loss)	186,139	(20,372)	165,767
Operating Transfers:			
In	603,411	35,000	638,411
Out	126,031	-0-	126,031
Net Income (Loss)	710,920	15,492	726,412
Property, Plant & Equipment:			
Additions & Transfers In	1,755,055	62,479	1,817,534
Deletions & Transfers Out	81,467	855	82,322
Net Working Capital	981,464	10,038	991,502
Total Assets	4,925,807	258,661	5,184,468
Total Equity	2,726,267	257,241	2,983,508

(17) FEDERAL GRANT

The City participates in a federally assisted grant programs. These programs are subject to the program compliance audits by the grantors. The amount, if any, of expenditures which may be disallowed by the granting agencies cannot be determined at this time. The City's management feels such disallowances, if any, will be immaterial.

(18) CONTRIBUTED CAPITAL

Contributed capital is recorded in the Enterprise Fund for capital grants restricted for the acquisition or construction of capital assets. Contributed capital is not amortized based on the depreciation recognized on that portion of the assets acquired or constructed from such resources.

(19) RESTATEMENT

The accompanying financial statements as of June 30, 1995 have been restated to correct the following errors in the respective funds:

The ending balances in the General Fund were restated as follows: Fund balance was increased by \$1,671, Interest Income was decreased by \$2,711 and Utilities-Museum was decreased by \$4,382. These adjustments were caused by duplication of utilities payable at June 30, 1995 and the recordation of interest earned on investments due to the Municipal Police Employees System as income rather than a payable.

The ending balances in the Utility Fund were restated as follows: Retained earnings was increased by \$21,278 and Utilities-Sewer plant was decreased by \$21,278. These adjustments were caused by duplication of utilities payable at June 30, 1995.

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

(13) CASH AND CASH EQUIVALENTS

For purposes of the Statement of Cash Flows, the Utility Fund, Zigler Complex Fund and Police Pension Fund considers only demand deposit accounts (including restricted assets) with financial institutions and amounts due from the clearing fund to be cash equivalents.

(14) FIXED ASSETS

A summary of changes in Proprietary Fund Type Fixed Assets follows:

	Balance <u>July 1, 1995</u>	Additions & Transfers In	Deletions & Transfers Out	Balance <u>June 30, 1996</u>
Land	\$ 176,607	\$ -0-	\$ -0-	\$ 176,607
Buildings & Improvements	2,146,872	69,390	-0-	2,216,262
Machinery & Equipment	1,709,739	173,751	81,467	1,802,023
Furniture & Fixtures	49,597	689	855	49,431
Construction in Progress	<u>8,371</u>	<u>1,573,704</u>	<u>-0-</u>	<u>1,582,075</u>
	<u>\$ 4,091,186</u>	<u>\$ 1,817,534</u>	<u>\$ 82,322</u>	<u>\$ 5,826,398</u>

A summary of proprietary fund type (Utility Fund and Zigler Complex Fund) property, plant and equipment at June 30, 1996 follows:

	Utility <u>Fund</u>	Zigler <u>Complex Fund</u>	<u>Total</u>
Land	\$ 176,607	\$ -0-	\$ 176,607
Buildings & Improvements	1,821,940	394,322	2,216,262
Machinery & Equipment	1,802,023	-0-	1,802,023
Furniture & Fixtures	-0-	49,431	49,431
Construction in Progress	<u>1,582,075</u>	<u>-0-</u>	<u>1,582,075</u>
Total	\$ 5,382,645	\$ 443,753	\$ 5,826,398
Less: Accumulated Depreciation	<u>(2,502,699)</u>	<u>(196,549)</u>	<u>(2,699,248)</u>
Net	<u>\$ 2,879,946</u>	<u>\$ 247,204</u>	<u>\$ 3,127,150</u>

Depreciation for the year ended June 30, 1996 was \$136,296.

Interest capitalized into construction in progress for the year ended June 30, 1996 was \$6,127.

(15) COMPENSATION PAID TO MAYOR AND CITY COUNCIL

Greg Marcantel, Mayor	\$ 26,100
Michael Mire	6,000
Clarence Levy, Jr.	6,000
Wilfred A. Menard	6,000
Artie Berry	6,000
Mildred Davis	<u>6,000</u>
Total	<u>\$ 56,100</u>

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

(9) CASH AND INVESTMENTS DEPOSITED WITH FINANCIAL INSTITUTIONS

State statues authorized the City to invest in United States bonds, treasury notes, certificates or other obligations of the United States of America, time certificates of deposit of state banks of Louisiana or national banks having their principal office in the State of Louisiana, or any other federally insured investment, and mutual funds regulated by the Investment Act of 1940 which invest in U. S. Treasury Securities.

The City's cash and investments (Certificates of Deposit) as of June 30, 1996 deposited with financial institutions are categorized as follows to give an indication of the level of risk at year-end as follows:

Insured (FDIC)	\$ 343,212
Uncollateralized (Fiscal agents' securities are pledged to the City and held by the fiscal agents' third part agent institution)	<u>2,260,382</u>
Total-Bank Balance	<u>\$ 2,603,594</u>

As of June 30, 1996, the City had investments with the Louisiana Asset Management Pool (LAMPS) totaling \$2,449,598, which approximates market value of the securities. LAMPS is an investment pool, administered by the Treasurer of the State of Louisiana, which invest in various types securities authorized by state statute.

(10) LITIGATION

The City is involved in law suits for collection of incorrect sales tax and several cases involving personal injury. In the opinion of the City's attorney, these suits are without merit and/or adequately covered by liability insurance presently enforce by the City, except for policy deductibles which are considered to be immaterial.

(11) COMMITMENTS AND CONTINGENCIES

The City of Jennings is under an administrative order issued by the United States Environmental Protection Agency (EPA) in 1994 for violations of the effluent toxicity requirements established by the EPA. To comply with this order, the City began construction of a new wastewater treatment facility that will meet the requirements of the EPA's administrative order. Due to the "Good Faith" efforts by the City, the EPA has updated and supplemented its order to allow the City time to construct and begin operations of the new facility. The EPA has not proposed any monetary fines for noncompliance. The current cost estimate of the project is \$6,500,000.

(12) OTHER RESERVES AND DESIGNATIONS

A reservation of fund balance in the General Fund has been made to provide for impact fees that may result from the acceptance by the City of the Cory Park Housing Development. The reservation was made in the previous fiscal year, however, the potential for impact fees still remain.

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

E. BUDGETS AND BUDGETARY ACCOUNTING

The City follows these procedures in establishing the budgetary data reflected in these primary government financial statements:

1. The City Clerk prepares an operating departmentalized budget, a pay plan budget, and a capital improvements budget and submits these budgets to the Mayor and City Council no later than fifteen days prior to the beginning of each fiscal year.
2. A summary of the total proposed budgets is published and the public notified that the proposed budgets are available for public inspection. At the same time, a public hearing is called.
3. A public hearing is held on the proposed budget at least ten days after publication of the call for the hearing.
4. After the holding of the public hearing and completion of all action necessary to finalize and implement the budget, the budget is adopted through passage of an ordinance prior to the commencement of the fiscal year for which the budget is being adopted.
5. The City Clerk is authorized to transfer budgeted amounts within departments, within any fund except for salary items and capital improvement items which cannot be amended without City Council approval. Budgetary amendments involving the transfer of funds from one department, program or function to another or involving increases in expenditures resulting from revenues exceeding amounts estimated requires the approval of the City Council.
6. Formal budgetary integration is used as a management control device by all funds during the year.
7. Budgets for all funds, except the Fiduciary and Capital Projects Funds, which have no adopted budgets, are adopted on a basis consistent with generally accepted accounting principles (GAAP). Budgeted amounts shown on the financial statements were amended by the City Council on October 10, 1995, January 6, 1996, March 12, 1996 and April 30, 1996.
8. All budgetary appropriations lapse at the end of each fiscal year.

F. INVESTMENTS

Investments are stated at cost or amortized cost. Discounts and premiums, if any, on the purchase of investments are amortized over the life of the investment remaining from the date of purchase to the date of maturity.

G. ENCUMBRANCES

Encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies are recorded in order to reserve that portion of the applicable appropriation, is employed as an extension of formal budgetary integration in the General Fund and Special Revenue Funds. Encumbrances outstanding at year end, if any, are reported as reservation of fund balances since they do not constitute expenditures or liabilities.

CITY OF JENNINGS, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1996

(6) LANDFILL JOINT VENTURE

The City is a participant in a joint venture referred to as the Jefferson Davis Parish Sanitary Landfill Commission. This entity was chartered on February 17, 1984. The Commission's purpose is the establishment of a long-term plan for the disposal of solid wastes in Jefferson Davis Parish. According to the charter, each participant in the Commission is responsible for a pro rata share of any operating deficits. Likewise, any distributions of surpluses are also shared on a pro rata basis. Each participants pro rata share is based on the number of households within each participant's unit to the total number of households within all participating units. These proportions were determined using the 1980 U. S. Census as follows:

<u>Locality</u>	<u>Number of Households</u>	<u>Percentages</u>
Jennings	4,161	.421196
Welsh	1,167	.118129
Lake Arthur	1,212	.122684
Parish (excluding Jennings, Welsh, Lake Arthur, & Elton)	<u>3,339</u>	<u>.337991</u>
Totals	<u>9,879</u>	<u>1.000000</u>

The Commission consists of six commissioners as follows: two residents of Jennings, one resident of Welsh, one resident of Lake Arthur, and two residents of Jefferson Davis Parish living outside the city limits of the Jennings, Welsh, Lake Arthur and Elton. The Commission members are to be appointed by the governing body of their place of residence.

The Commission has the power and authority to employ personnel, adopt its own budget and enter into agreements necessary for the operation of the Landfill. In certain instances, some agreements must be consented to by all six members of the Commission.

Condensed financial information for the Jefferson Davis Parish Sanitary Landfill as of December 31, 1995 (the latest available audited financial statements) were as follows:

	<u>Total</u>	<u>Jennings (42.1196%)</u>
Total assets	\$ 3,431,819	\$ 1,445,468
Total liabilities	127,704	53,788
Total Equity	3,304,115	1,391,680
Total liabilities and equity	3,431,819	1,445,468
Total revenues	2,947,189	1,241,344
Total expenditures	2,309,699	972,836
Net increase in fund balance	637,490	268,508

As of December 31, 1995, the Commission had no long-term debt outstanding.

For the year ended June 30, 1996, the City received \$105,299 from this Commission as its proportionate distribution.

CITY OF JENNINGS, LOUISIANA
 NOTES TO FINANCIAL STATEMENTS
 JUNE 30, 1996

<u>Component Unit</u>	<u>Fiscal Year End</u>	<u>Criteria Used</u>
Industrial Development Board	June 30	1, 1a and 3
City Court and City Marshall	June 30	2 and 3

The City has chosen to issue financial statements of the primary government (City) only; therefore, none of the previously listed component units are included in the accompanying financial statements. Financial statements for these component units can be obtained from the individual component units.

These primary government (City) financial statements include all funds, account groups, and organizations for which the City maintains the accounting records. The Hotel/Motel Tax Fund for which the City budgets the activity and maintains the accounting records is considered part of the primary government (City).

GASB Statement 14 provides for the issuance of primary government financial statements that are separate from those of the reporting entity. However, the primary government's (City) financial statements are not a substitute for the reporting entity's financial statements. The City has chosen to issue financial statements of the primary government only. As such, these financial statements are not intended to and do not report on the reporting entity but rather are intended to reflect only the financial statements of the primary government (City).

Related Organization

Jennings Housing Authority - The Commissioners of the Authority are appointed by the Mayor, but the City does not provide funding, has no obligation for the debt issued by the Authority, and cannot impose its will. This authority has not been included in the reporting entity.

Joint Venture

Jefferson Davis Parish Landfill Commission - A jointly owned commission with the Jefferson Davis Parish Police Jury and the Cities of Welsh and Lake Arthur was formed to provide a solid waste disposal facility for its member-owners (See Note 6). This commission has not been included in the reporting entity.

B. FUND ACCOUNTING

The accounts of the City are organized on the basis of funds and account groups, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund equity, revenues, and expenditures or expenses, as appropriate.

Government resources are allocated to and accounted for in individual funds based on the purpose for which they are to be spent and the means by which spending activities are controlled.

The various funds are grouped in the financial statements in this report, into six generic fund types and three broad fund categories as follows:

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System under Plan B for the years ending June 30, 1996, 1995, and 1994, were \$36,297, \$25,871, and \$34,223, respectively, equal to the required contributions for each year.

B. Municipal Police Employees Retirement System of Louisiana (System)

Plan Description. All full-time police department employees engaged in law enforcement are required to participate in the System. Employees who retire at or after age 50 with at least 20 years of creditable service or at or after age 55 with at least 12 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Police Employees Retirement System of Louisiana, 8401 United Plaza Boulevard, Baton Rouge, Louisiana 70809-2250, or by calling (504) 929-7411.

Funding Policy. Plan members are required by state statute to contribute 7.5 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 9.0 percent of annual covered payroll. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial valuation and are subject to change each year based on the results of the valuation for the prior fiscal year. The City of Jennings contributions to the System for the years ended June 30, 1996, 1995, and 1994, were \$53,182, \$53,748, and \$50,636, respectively, equal to the required contributions for each year.

C. Firefighters' Retirement System of Louisiana

Plan Description. Membership in the Louisiana Firefighters' Retirement System is mandatory for all full-time firefighters employed by a municipality, parish, or fire protection district that did not enact an ordinance before January 1, 1980, exempting itself from participation in the System. Employees are eligible to retire at or after age 55 with at least 12 years of creditable service or at or after age 50 with at least 20 years of creditable service. Upon retirement, members are entitled to a retirement benefit, payable monthly for life, equal to 3 1/3 percent of their final-average salary for each year of creditable service, not to exceed 100 percent of their final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least 12 years of service and do not withdraw their employee contributions may retire at or after age 55 (or at or after age 50 with at least 20 years of creditable service at termination) and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

for operating and maintaining the wastewater treatment system. Sales tax revenue sufficient to pay the principal and interest of this bond will be transferred to the utility fund and this fund will be primarily responsible for making payments of interest and principal. As additional security, the agreement requires the establishment of a sinking and reserve fund (Note 8).

(5) PENSION PLANS

Substantially all employees of the City of Jennings, are members of the following statewide retirement systems: Municipal Employees Retirement System of Louisiana, Municipal Police Employees Retirement System of Louisiana, Firefighters' Retirement System of Louisiana, or Louisiana State Employees Retirement System. These systems are cost-sharing, multiple-employer defined benefit pension plans administered by separate boards of trustees. Pertinent information relative to each plan follows:

A. Municipal Employees Retirement System of Louisiana (System)

Plan Description. The System is composed of two distinct plans, Plan A and Plan B, with separate assets and benefit provisions. All employees of the municipality, except for policemen, firemen and the City Judge, are members of Plan B.

All permanent employees working at least 35 hours per week who are not covered by another pension plan and are paid wholly or in part from municipal funds and all elected municipal officials are eligible to participate in the System. Under Plan B, employees who retire at or after age 60 with at least 10 years of creditable service at or after age 55 with at least 30 years of creditable service are entitled to a retirement benefit, payable monthly for life, equal to 2 percent of their final-average monthly salary in excess of \$100 for each year of creditable service. Furthermore employees with at least 10 years of creditable service, but less than 30 years, may take early retirement benefits commencing at or after age 60, with the basic benefit reduced 3 percent for each year retirement precedes age 62, unless he has at least 30 years of creditable service. In any case, monthly retirement benefits paid under Plan B cannot exceed 100 per cent of final-average salary. Final-average salary is the employee's average salary over the 36 consecutive or joined months that produce the highest average. Employees who terminate with at least the amount of creditable service stated above, and do not withdraw their employee contributions, may retire at the ages specified above and receive the benefit accrued to their date of termination. The System also provides death and disability benefits. Benefits are established or amended by state statute.

The System issues an annual publicly available financial report that includes financial statements and required supplementary information for the System. That report may be obtained by writing to the Municipal Employees Retirement System of Louisiana, 7937 Office Park Boulevard, Baton Rouge, Louisiana 70809, or by calling (504) 925-4810.

Funding Policy. Under Plan B, members are required by state statute to contribute 5.0 percent of their annual covered salary and the City of Jennings is required to contribute at an actuarially determined rate. The current rate is 3.75 percent of annual covered payroll. Contributions to the System also include one-fourth of one percent (except Orleans and East Baton Rouge parishes) of the taxes shown to be collectible by the tax rolls of each parish. These tax dollars are divided between Plan A and Plan B based proportionately on the salaries of the active members of each plan. The contribution requirements of plan members and the City of Jennings are established and may be amended by state statute. As provided by Louisiana Revised Statute 11:103, the employer contributions are determined by actuarial

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

(4) CHANGES IN LONG-TERM DEBT

The following table summarizes the changes in long-term obligations during the year ended June 30, 1996:

	<u>DEQ</u> <u>Bond Payable</u>	<u>Accumulated</u> <u>Unpaid Leave</u>	<u>Totals</u>
Balance, June 30, 1995	\$ -0-	\$ 60,046	\$ 60,046
Additions	1,136,270	47,424	1,183,694
Retirements	<u>-0-</u>	<u>(60,046)</u>	<u>(60,046)</u>
Balance, June 30, 1996	<u>\$ 1,136,270</u>	<u>\$ 47,424</u>	<u>\$ 1,183,694</u>

On December 1, 1995, the City entered into a loan and pledge agreement with the Department of Environmental Quality (DEQ) of the State of Louisiana and issued a Public Improvement Sales Tax Bond in the total amount of \$6,500,000. The bond shall bear interest at a rate of two and forty-five one hundredths percent (2.45%) per annum on the outstanding principal balance. In addition, an administrative fee of one-half of one percent (0.5%) per annum on the outstanding principal balance; for a combine rate of two and ninety-five one hundredths percent (2.95%) per annum on the outstanding principal balance.

This bond was issued to provide funding necessary to construct a new wastewater treatment facility and improve and repair existing lift stations and distribution system. The Initial Loan Period began on December 1, 1995 and will continue through the completion of the project. During this period, only interest on the bond will be due and payable on March 1 and September 1 of each year. Once the project is complete, the Permanent Loan Period will begin and continue through March 1, 2016. During this period, scheduled payments of interest will be due and payable on March 1 and September 1 of each year and principal will be due on March 1 of each year as follows:

The following schedule of principal payments is based on the assumption that the total \$6,500,000 will be borrowed from the DEQ:

March 1, 1997	\$ 245,000
March 1, 1998	250,000
March 1, 1999	260,000
March 1, 2000	265,000
March 1, 2001	275,000
Five years ended March 1, 2006	1,480,000
Five years ended March 1, 2011	1,725,000
Five years ended March 1, 2016	<u>2,000,000</u>
Total	<u>\$6,500,000</u>

The agreement requires the pledge of the revenue derived from the 1994 1% sales tax to insure repayment of the bond and its interest. In addition, the agreement requires that user charges be imposed on the recipients of the wastewater treatment facilities sufficient to operate and maintain the system, including any necessary replacement of portions of the system. The proceeds received from this bond, as well as all future proceeds, were, and will be, deposited into the City's utility fund which is responsible

CITY OF JENNINGS, LOUISIANA

CAPITAL IMPROVEMENTS FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
Culture and Recreation:				
Council on Aging	\$ 10,000	\$ 10,000	\$ -	\$ 10,000
Zigler Museum	8,000	7,770	230	3,850
Main Street Country Store Project	-	-	-	(40)
Pioneer Park Building	5,000	5,828	(828)	29,885
Strand Theater	5,000	6,044	(1,044)	(545)
I-10 Park	62,000	44,862	17,138	85,592
Jeff Davis Arts Council	2,000	2,000	-	2,000
Jeff Davis Parish Health Unit	2,750	2,750	-	2,750
Christmas Lights	1,500	709	791	757
Tractor Repairs	-	-	-	5,137
Fireworks	10,000	12,405	(2,405)	10,035
Tree Planting	600	600	-	675
Computer System	3,000	1,909	1,091	-
South Main Playground	10,000	-	10,000	-
Recreation	27,000	27,895	(895)	18,738
Total Culture and Recreation	\$ 146,850	\$ 122,772	\$ 24,078	\$ 168,834
Public Safety:				
Equipment-Fire Department	\$ -	\$ -	\$ -	\$ 9,896
Vehicles-Police Department	-	-	-	26,011
Vehicles-Fire Department	-	-	-	31,442
Equipment-Police Department	36,800	35,180	1,620	-
Repairs	-	-	-	10,305
Total Public Safety	\$ 36,800	\$ 35,180	\$ 1,620	\$ 77,654
Total Expenditures	\$ 1,120,350	\$ 1,042,213	\$ 78,137	\$ 736,519
Excess (Deficiency) of Revenues over Expenditures	\$ (622,051)	\$ (474,395)	\$ 147,656	\$ 192,542
Other Financing Uses:				
Transfer to Capital Projects Fund	\$ -	\$ -	\$ -	\$ (6,237)
Transfer to Zigler Complex Fund	(35,000)	(35,000)	-	-
Transfer to Utility Fund	(125,000)	(103,411)	21,589	-
Transfer from Garment Factory	-	26,048	26,048	-
Transfer from 1994 1% Sales Tax Fund	-	-	-	109,581
Total Other Financing Uses	\$ (160,000)	\$ (112,363)	\$ 47,637	\$ 103,344
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	\$ (782,051)	\$ (586,758)	\$ 195,293	\$ 295,886
Unreserved Fund Balance-Beginning	\$ 1,476,390	\$ 1,476,390	\$ -	\$ 1,138,291
Reserved for Encumbrances	-	-	-	42,213
Unreserved Fund Balance-Ending	\$ 694,339	\$ 889,632	\$ 195,293	\$ 1,476,390

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

H. BAD DEBTS

Uncollectible amounts due for customers' utility receivables, since they are immaterial, are recognized as bad debts through a direct write-off at the time information becomes available which would indicate the uncollectability of the particular receivable. If ad valorem taxes become uncollectible, the property involved is seized and sold as of May 31 of the effected fiscal year, and therefore, all material ad valorem taxes are collected as of the end of the current fiscal year.

I. INVENTORY

Inventory in the General Fund consists of miscellaneous office supplies and merchandise held for resale by the Tupper Store. The inventory of the Tupper Store is valued at Cost. Reported inventory is equally offset by a fund balance reserve which indicates that it does not constitute "available spendable resources" even though it is a component of net current assets. Other inventories in the General and Special Revenue Funds consist of expendable supplies held for consumption. Their cost is recorded as an expenditure at the time the individual inventory items are purchased.

Inventory in the Utility Fund consist of trash bags held for sale to general public to assist in the City's garbage collection function. Inventories are priced at the lower of cost (first-in, first-out) or market.

J. COMPARATIVE DATA

Comparative total data for the prior year has been presented in the accompanying primary government financial statements in order to provide an understanding of changes in the City's financial position and operations. However, comparative (i.e., presentation of prior year totals by fund type) data has not been presented in each of the statements since their inclusion would make the statements unduly complex and difficult to read.

K. TOTAL COLUMNS ON COMBINED STATEMENTS - OVERVIEW

Total columns on the Combined Statements - Overview are captioned "Memorandum Only" to indicate that they are presented only to facilitate financial analysis. Data in these columns do not present financial conformity with generally accepted accounting principles. Neither is such data comparable to a consolidation. Interfund eliminations have not been made in the aggregation of this data.

L. ACCUMULATED VACATION AND OTHER LEAVE PROGRAMS

The City provides leave for vacation, sickness and illness, personal business and as an award in their safety program. Vacation leave is provided for all employees with one or more years of service. It ranges from 10 to 20 days per year depending on length of service. Sickness and illness leave of 5 to 365 days is provided depending on length of service and the department in which the employee serves. Three days of leave is provided for personal business each year and two to four days of leave is awarded to employees annually for safety on their job.

It is the City's policy that leave does not accumulate except the amount earned in the current calendar year. Any leave not utilized by December 31st is lost. The leave accrued as of the end of the fiscal year for governmental employees is reported in the long-term debt account group. The accrued leave for enterprise fund employees is recorded in the appropriate enterprise fund.

ENTERPRISE FUNDS

Utility Fund - To account for the provision of water and sewer services to the residents of the City. All activities necessary to provide such services are accounted for in this fund, including, but not limited to, administration, operations, maintenance, billing and collection.

Zigler Complex Fund - To account for the rent property owned by the City including the Zigler Office Building, the Zigler Annex and the Zigler Apartments. This fund includes the collection of rent along with the related expenses, including utilities, maintenance, janitorial service, etc.

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

Long-term liabilities expected to be financed from governmental funds are accounted for in the General Long-Term Debt Account Group. Long-term liabilities expected to be financed from proprietary funds are accounted for on the balance sheet of the respective proprietary fund.

Fixed assets used in proprietary fund type operations are accounted for on the particular fund's balance sheet while depreciation of these fixed assets used by proprietary funds is charged as an expense against their operations.

All fixed assets are valued at historical cost or estimated historical cost if actual historical cost is not available. Donated fixed assets are valued at their estimated fair value on the date donated. There was capitalizable interest expense incurred by the City during the year ended June 30, 1996, and this interest was included in construction in progress. All fixed assets were paid for in cash.

The two account groups are not "funds." They are concerned only with the measurement of financial position. They are not involved with measurement of results of operations.

Special reporting treatments are also applied to governmental fund inventories to indicate that they do not represent "available spendable resources," even though they are a component of net current assets. Such amounts are generally offset by fund balance reserve accounts.

Depreciation of all exhaustible fixed assets used by proprietary funds is charged as an expense against their operations. Accumulated depreciation is reported on proprietary fund balance sheets. Depreciation has been provided over the estimated useful lives using the straight line method. The estimated useful lives are as follows:

Buildings & Improvements	25-30 years
Machinery & Equipment	5-15 years
Furniture & Fixtures	5-10 years

D. BASIS OF ACCOUNTING

Basis of accounting refers to when revenues and expenditures or expenses are recognized in the accounts and reported in the financial statements.

All governmental funds are accounted for using the modified accrual basis of accounting. Their revenues are recognized when they become measurable and available as net current assets. Franchise taxes are considered "measurable" when collected and are recognized as revenue at that time.

Expenditures are generally recognized under the modified accrual basis of accounting when the related fund liability is incurred. Exceptions to this general rule include: (1) accumulated unpaid vacation, sick pay, and other employee amounts which are not accrued and are immaterial; and (2) principal and interest on general long-term debt which is recognized when due.

All Proprietary Funds and the Pension Trust Fund are accounted for using the accrual basis of accounting. Their revenue are recognized when they are earned and their expenses are recognized when they are incurred.

CITY OF JENNINGS, LOUISIANA

NOTES TO FINANCIAL STATEMENTS

JUNE 30, 1996

GOVERNMENTAL FUNDS:

General Fund - The General Fund is the general operating fund of the City. It is used to account for all financial resources except those required to be accounted for in another fund.

Special Revenue Funds - Special Revenue Funds are used to account for the proceeds of specific revenue sources (other than special assessments, expendable trusts, or major capital projects) that are legally restricted to expenditures for specified purposes.

Debt Service Funds - Debt Service Funds are used to account for the accumulation of resources for, and the payment of, general long-term debt principal, interest, and related costs.

Capital Projects Funds - Account for financial resources received and used for the acquisition, construction, or improvement of capital facilities not reported in the other governmental funds.

PROPRIETARY FUNDS:

Enterprise Funds - Enterprise Funds are used to account for operations (a) that are financed and operated in a manner similar to private business enterprises - where the intent of the governing body is that the costs (expenses, including depreciation) of providing goods or services to the general public on a continuing basis be financed or recovered primarily through user charges; or (b) where the governing body has decided that periodic determination of revenues earned, expenses incurred, and/or net income is appropriate for capital maintenance, public policy, management control, accountability, or other purposes.

FIDUCIARY FUNDS:

Trust & Agency Funds - Trust Funds are used to account for assets held by the City in a trustee capacity for individuals, private organizations, other governments, and/or other funds. These include Pension Trust Funds. Pension Trust Funds are accounted for in essentially the same manner as proprietary funds since capital maintenance is critical. Agency Funds are custodial in nature (assets equal liabilities) and do not involve measurement of results of operations.

C. FIXED ASSETS AND LONG-TERM LIABILITIES

The accounting and reporting treatment applied to the fixed assets and long-term liabilities associated with a fund are determined by its measurement focus.

All governmental fund type operations are accounted for on a spending or "financial flow" measurement focus and only current assets and current liabilities are generally included on their balance sheets.

Fixed assets used in governmental fund type operations (general fixed assets) are accounted for in the General Fixed Assets Account Group. Public domain ("infrastructure") general fixed assets consisting of certain improvements other than buildings, including roads, bridges, curbs and gutters, streets and sidewalks, drainage systems, and lighting systems are not capitalized along with the other general fixed assets. No depreciation has been provided on general-fixed assets.

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

(7) CHANGES IN GENERAL FIXED ASSETS

A summary of changes in general fixed assets follows:

	Balance July 1, 1995	Additions & Transfers In	Deletions & Transfers Out	Balance June 30, 1996
Land	\$ 907,580	\$ 27,245	\$ 12,480	\$ 922,345
Buildings & Improvements	2,500,822	210,000	-0-	2,710,822
Machinery & Equipment	2,691,221	400,347	101,745	2,989,823
	<u>\$ 6,099,623</u>	<u>\$ 637,592</u>	<u>\$ 114,225</u>	<u>\$ 6,622,990</u>

(8) RESTRICTED ASSETS AND RESERVED RETAINED EARNINGS/FUND BALANCES

At June 30, 1996 restricted assets consisted of the following:

Cash-Water & Sewer Deposit Account	\$ 5,287
Investment-Certificate of Deposit, Water & Sewer Deposit Account	110,000
Cash-LCDBG Fund	25,558
Investment-Certificate of Deposit, LCDBG Fund	100,000
Due from Clearing Fund-Utility Fund	5,440
Total	<u>\$ 246,285</u>

The Water and Sewer Deposit account assets, a component of the Utility Fund, are restricted to pay customer deposits in the amount of \$119,600 at June 30, 1996. When a customer withdraws from the system, this deposit is refunded less the amount of any charges outstanding against the account. Due to the shortage of restricted assets available to refund customer deposits, \$4,313 of retained earnings has been reserved, which represents the excess of customer deposits over assets restricted for that purpose.

The cash, investments, and one half of the loan and interest receivable in the LCDBG Fund upon repayment, is restricted for the Revolving Loan Program of the City of Jennings. The entire amount of current fund balance has been reserved for these assets to indicate that they are not available or spendable.

During the fiscal year ended June 30, 1996, the City issued a bond to the Department of Environmental Quality (DEQ) of the State of Louisiana to acquire funds necessary to construct a new wastewater treatment facility. A requirement of the loan and pledge agreement was the establishment of a sinking fund and reserve fund to insure the payment of the bond principal and interest. During the Interim Loan Period, an amount equal to the interest accruing on the bond must be established in the sinking fund until paid. During the Permanent Loan Period, an amount equal to the principal and interest must be established in the sinking fund until paid. In addition during the Permanent Loan Period, a sum at least equal to 25% of the amount established in the sinking fund must be established in the reserve fund. The total amount to be established in the reserve fund will be determined by the DEQ when the project is complete and total bonded debt is issued to the City. To comply with the loan and pledge agreement, the City restricted cash in the Clearing Fund.

CITY OF JENNINGS, LOUISIANA

PERPETUAL CARE FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1996 AND 1995

	<u>JUNE 30, 1996</u>	<u>JUNE 30, 1995</u>
<u>ASSETS</u>		
Investment, At Cost	\$ 140,000	\$ 125,000
Due From Clearing Fund	7,304	15,174
Total Assets	<u>\$ 147,304</u>	<u>\$ 140,174</u>
<u>LIABILITIES AND FUND BALANCE</u>		
FUND BALANCE:		
Unreserved	<u>\$ 147,304</u>	<u>\$ 140,174</u>
Total Liabilities and Fund Balance	<u>\$ 147,304</u>	<u>\$ 140,174</u>

SPECIAL REVENUE FUNDS

Street Fund - To account for the receipt of 8.97 mill tax and the expenses relating to streets, sidewalks, bridges, tree trimming and other related items.

Library Fund - To account for the receipt of 3.93 mill tax and the expenses of staffing and operating the Jennings Carnegie Public Library.

Perpetual Care Fund - To account for the receipt of funds for perpetual care of cemetery lots sold by the City and the related expenses to provide such care.

Hotel/Motel Tax Fund - To account for the receipt of funds from the hotel/motel room tax in Ward 2 of Jefferson Davis Parish which is to be used for development of culture and tourism. This fund was organized by the Jefferson Davis Police Jury as a special revenue fund for Ward 2. The Police Jury has transferred control of this fund to the City.

LCDBG Fund - To account for the receipt of Louisiana Community Development Block Grant Funds through their economic development program and the subsequent lending of these funds to qualifying local businesses to develop the viable urban community by expanding economic opportunities principally for persons of low and moderate income levels. Upon repayment of these funds with interest by the lenders, they are dedicated to a revolving loan program to lend the same funds to other qualifying businesses in the City.

Capital Improvements Fund - To account for the receipt of 14% (changed in fiscal 1994 from 40%) of the City's 1% sales tax collections, the receipt of revenue sharing funds received, if any, from the federal and state governments and any other budgeted revenues and the subsequent expenditure of these funds which are dedicated to capital improvements.

1994 1% Sales Tax Fund - To account for the receipt of a 1% sales tax which was authorized in 1994. This tax is to be collected for a period not to exceed twenty-two (22) years. At least \$500,000 annually is to be used for acquiring, constructing, extending, improving, maintaining and operating sewage collection and disposal facilities for the City, and/or to pay any bonded or funded indebtedness of the City incurred for sewage collection and disposal facilities. The balance is to be used for street construction and maintenance, drainage, heavy equipment purchases, jail operations, and police pension payments.

CITY OF JENNINGS, LOUISIANA

SPECIAL REVENUE FUNDS
COMBINING BALANCE SHEET

JUNE 30, 1996

WITH COMPARATIVE TOTALS FOR JUNE 30, 1995

	STREET FUND	LIBRARY FUND	PERPETUAL CARE FUND	HOTEL/MOTEL TAX FUND	LCDBG FUND	CAPITAL IMPROVEMENTS FUND	1994 1% SALES TAX FUND	JUNE 30, 1996	TOTALS	JUNE 30, 1995
ASSETS:										
UNRESTRICTED ASSETS:										
Cash	\$ -	\$ 131	\$ -	\$ 26,330	\$ -	\$ -	\$ -	\$ 26,461	\$ 16,614	\$ -
Investments, at Cost	250,000	100,000	140,000	-	-	906,794	100,000	1,496,794	1,806,794	1,806,794
1% Sales Tax Receivable	-	-	-	-	-	17,205	-	17,205	14,814	14,814
Other Receivable	-	-	-	4,074	-	-	122,893	126,967	110,345	110,345
Due from Other Funds	70,163	77,793	7,304	-	-	108,587	141,533	405,380	501,893	501,893
Total Unrestricted Assets	\$ 320,163	\$ 177,924	\$ 147,304	\$ 30,404	\$ -	\$ 1,032,586	\$ 364,426	\$ 2,072,807	\$ 2,450,460	\$ 2,450,460
RESTRICTED ASSETS:										
Cash	\$ -	\$ -	\$ -	\$ -	\$ 25,558	\$ -	\$ -	\$ 25,558	\$ 7,693	\$ -
Investments, at Cost	-	-	-	-	100,000	-	-	100,000	100,000	100,000
Loan Receivable	-	-	-	-	-	-	-	-	23,144	23,144
Total Restricted Assets	\$ -	\$ -	\$ -	\$ -	\$ 125,558	\$ -	\$ -	\$ 125,558	\$ 130,837	\$ 130,837
Total Assets	\$ 320,163	\$ 177,924	\$ 147,304	\$ 30,404	\$ 125,558	\$ 1,032,586	\$ 364,426	\$ 2,198,365	\$ 2,581,297	\$ 2,581,297
LIABILITIES AND FUND BALANCE:										
LIABILITIES:										
Accounts Payable	\$ 5,270	\$ 847	\$ -	\$ 342	\$ -	\$ 142,954	\$ 265	\$ 149,678	\$ 40,274	\$ -
Due to Other Governments	-	-	-	-	-	-	-	-	11,573	-
Total Liabilities	\$ 5,270	\$ 847	\$ -	\$ 342	\$ -	\$ 142,954	\$ 265	\$ 149,678	\$ 51,847	\$ -
FUND BALANCE:										
Reserved for Revolving Loan Program	\$ -	\$ -	\$ -	\$ -	\$ 125,558	\$ -	\$ -	\$ 125,558	\$ 119,264	\$ -
Unreserved	314,893	177,077	147,304	30,062	-	889,632	364,161	1,923,129	2,410,186	2,410,186
Total Fund Balance	\$ 314,893	\$ 177,077	\$ 147,304	\$ 30,062	\$ 125,558	\$ 889,632	\$ 364,161	\$ 2,048,687	\$ 2,529,450	\$ 2,529,450
Total Liabilities and Fund Balance	\$ 320,163	\$ 177,924	\$ 147,304	\$ 30,404	\$ 125,558	\$ 1,032,586	\$ 364,426	\$ 2,198,365	\$ 2,581,297	\$ 2,581,297

CITY OF JENNINGS, LOUISIANA

SPECIAL REVENUE FUNDS
 COMBINING STATEMENT OF REVENUES, EXPENDITURES AND
 CHANGES IN FUND BALANCES
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1995

	STREET FUND	LIBRARY FUND	PERPETUAL CARE FUND	HOTEL/MOTEL TAX FUND	LCDBG FUND	CAPITAL IMPROVEMENTS FUND	1994 1% SALES TAX FUND	TOTALS JUNE 30, 1996	TOTALS JUNE 30, 1995
REVENUES:									
Taxes	\$ 279,806	\$ 122,592	\$ -	\$ -	\$ -	\$ 191,515	\$ 1,367,964	\$ 1,961,877	\$ 1,404,394
Intergovernmental Revenue	-	-	-	53,413	-	41,961	-	95,374	89,907
Charges for Services	-	1,671	-	-	-	-	-	1,671	1,819
Income from State Grants	-	-	-	-	-	53,500	-	53,500	10,000
Fines and Forfeits	-	1,031	-	-	-	-	-	1,031	846
Miscellaneous Revenue	6,011	3,484	7,400	-	-	177,951	-	194,846	672,203
UST Trust Fund Revenue	-	-	-	-	-	33,369	-	33,369	-
Interest Income	15,300	8,324	-	-	6,294	69,522	8,538	107,978	69,037
Total Revenues	\$ 301,117	\$ 137,102	\$ 7,400	\$ 53,413	\$ 6,294	\$ 567,818	\$ 1,376,502	\$ 2,449,646	\$ 2,248,206
EXPENDITURES:									
General Government	\$ -	\$ -	\$ 270	\$ -	\$ -	\$ 232,673	\$ 8,000	\$ 240,943	\$ 93,654
Public Works	357,659	-	-	-	-	651,588	418,865	1,428,112	760,350
Public Safety	-	-	-	-	-	35,180	271,423	306,603	77,654
Culture and Recreation	-	135,978	-	43,718	-	122,772	8,628	311,096	325,343
Total Expenditures	\$ 357,659	\$ 135,978	\$ 270	\$ 43,718	\$ -	\$ 1,042,213	\$ 706,916	\$ 2,286,754	\$ 1,257,001
Excess (Deficiency) of Revenues Over Expenditures	\$ (56,542)	\$ 1,124	\$ 7,130	\$ 9,695	\$ 6,294	\$ (474,395)	\$ 669,586	\$ 162,892	\$ 991,205
Other Financing Sources (Uses):									
Transfers In	\$ 106,014	\$ -	\$ -	\$ -	\$ -	\$ 26,048	\$ -	\$ 132,062	\$ 167,777
Transfers Out	-	-	-	-	-	(138,411)	(637,307)	(775,718)	(516,826)
Total Other Financing Sources (Uses)	\$ 106,014	\$ -	\$ -	\$ -	\$ -	\$ (112,363)	\$ (637,307)	\$ (643,656)	\$ (349,049)
Excess (Deficiency) of Revenues and Other Sources Over Expenditures and Other Uses	\$ 49,472	\$ 1,124	\$ 7,130	\$ 9,695	\$ 6,294	\$ (586,758)	\$ 32,279	\$ (480,764)	\$ 642,156
Unreserved Fund Balance-Beginning	\$ 265,421	\$ 175,953	\$ 140,174	\$ 20,367	\$ -	\$ 1,476,390	\$ 331,882	\$ 2,410,187	\$ 1,730,696
(Increase) Decrease in Reserve for Loan Program Reserved for Encumbrances	-	-	-	-	(6,294)	-	-	(6,294)	(4,878)
Unreserved Fund Balance-Ending	\$ 314,893	\$ 177,077	\$ 147,304	\$ 30,062	\$ -	\$ 889,632	\$ 364,161	\$ 1,923,129	\$ 2,410,187

CITY OF JENNINGS, LOUISIANA

STREET FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1996 AND 1995

	<u>JUNE 30,</u> 1996	<u>JUNE 30,</u> 1995
<u>ASSETS</u>		
Investment, At Cost	\$ 250,000	\$ 200,000
Due From Clearing Fund	70,163	68,213
	<u>\$ 320,163</u>	<u>\$ 268,213</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 5,270	\$ 2,792
	<u>\$ 5,270</u>	<u>\$ 2,792</u>
FUND BALANCE:		
Unreserved	\$ 314,893	\$ 265,421
	<u>\$ 320,163</u>	<u>\$ 268,213</u>
Total Liabilities and Fund Balance	<u>\$ 320,163</u>	<u>\$ 268,213</u>

CITY OF JENNINGS, LOUISIANA
 STREET FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:				
Taxes	\$ 250,000	\$ 279,806	\$ 29,806	\$ 259,820
Miscellaneous Revenues	6,500	6,011	(489)	6,011
Interest Income	7,000	15,300	8,300	10,818
Total Revenues	\$ 263,500	\$ 301,117	\$ 37,617	\$ 276,649
EXPENDITURES:				
Public Works:				
Salaries	\$ 183,094	\$ 176,947	\$ 6,147	\$ 161,994
Employee Benefits	41,843	39,056	2,787	35,904
Supplies	2,100	1,006	1,094	1,905
Repairs & Maintenance	89,500	80,932	8,568	58,314
Engineer Retainer	2,400	2,400	-	2,200
Audit Fee	1,170	1,215	(45)	968
Postage & Freight	950	827	123	735
Gas & Oil	8,000	8,367	(367)	7,625
Insurance	48,157	42,788	5,369	42,825
Equipment	-	-	-	50,788
Miscellaneous	300	4,121	(3,821)	231
Total Expenditures	\$ 377,514	\$ 357,659	\$ 19,855	\$ 363,489
Excess of (Deficiency) Revenues Over Expenditures	\$ (114,014)	\$ (56,542)	\$ 57,472	\$ (86,840)
OTHER FINANCING SOURCES:				
Transfers from Capital Improvements Fund	\$ -	\$ -	\$ -	\$ 58,196
Transfers from 1994 1% Sales Tax	106,014	106,014	-	-
Excess (Deficiency) of Revenues and Other Sources Over Expenditures	\$ (8,000)	\$ 49,472	\$ 57,472	\$ (28,644)
Unreserved Fund Balance-Beginning	\$ 265,421	\$ 265,421	\$ -	\$ 294,065
Unreserved Fund Balance-Ending	\$ 257,421	\$ 314,893	\$ 57,472	\$ 265,421

CITY OF JENNINGS, LOUISIANA

1994 1% SALES TAX FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:				
Taxes-1% Sales Tax	\$ 1,250,000	\$ 1,367,964	\$ 117,964	\$ 853,099
Interest Income	5,000	8,538	3,538	1,222
Total Revenues	\$ 1,255,000	\$ 1,376,502	\$ 121,502	\$ 854,321
EXPENDITURES:				
<u>General Government:</u>				
Vehicles	\$ -	\$ 8,000	\$ (8,000)	\$ -
Total General Government	\$ -	\$ 8,000	\$ (8,000)	\$ -
<u>Public Works:</u>				
Street Improvements	\$ 400,000	\$ 394,101	\$ 5,899	\$ -
Drainage Projects	50,000	24,764	25,236	-
Total Public Works	\$ 450,000	\$ 418,865	\$ 31,135	\$ -
<u>Culture and Recreation:</u>				
Vehicles	\$ 16,000	\$ 8,628	\$ 7,372	\$ -
Equipment	-	-	-	11,850
Total Culture and Recreation	\$ 16,000	\$ 8,628	\$ 7,372	\$ 11,850
<u>Public Safety</u>				
Vehicles	\$ 261,000	\$ 271,423	\$ (10,423)	\$ -
Total Public Safety	\$ 261,000	\$ 271,423	\$ (10,423)	\$ -
Total Expenditures	\$ 727,000	\$ 706,916	\$ 20,084	\$ 11,850
Excess (Deficiency) of Revenues over Expenditures	\$ 528,000	\$ 669,586	\$ 141,586	\$ 842,471
<u>Other Financing Uses:</u>				
Transfer to Capital Projects Fund	\$ -	\$ 10,695	\$ (10,695)	\$ -
Transfer to Capital Improvements Fund	20,802	-	20,802	109,581
Transfer to Police Pension	55,155	20,598	34,557	51,145
Transfer to Street Department	106,014	106,014	-	58,196
Transfer to Utility Fund	500,000	500,000	-	291,667
Total Other Financing Uses	\$ 681,971	\$ 637,307	\$ 44,664	\$ 510,589
Excess (Deficiency) of Revenues over Expenditures and Other Financing Uses	\$ (153,971)	\$ 32,279	\$ 186,250	\$ 331,882
Unreserved Fund Balance-Beginning	\$ 331,882	\$ 331,882	\$ -	\$ -
Unreserved Fund Balance-Ending	\$ 177,911	\$ 364,161	\$ 186,250	\$ 331,882

CITY OF JENNINGS, LOUISIANA

LIBRARY FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:				
Taxes	\$ 110,000	\$ 122,592	\$ 12,592	\$ 113,835
Charges for Services	1,800	1,671	(129)	1,819
Fines & Forfeits	700	1,031	331	846
Miscellaneous Revenue	1,300	3,484	2,184	5,865
Grant Revenue	5,000	-	(5,000)	-
Interest Income	4,000	8,324	4,324	6,403
Total Revenues	<u>\$ 122,800</u>	<u>\$ 137,102</u>	<u>\$ 14,302</u>	<u>\$ 128,768</u>
EXPENDITURES:				
Culture & Recreation:				
Salaries	\$ 64,409	\$ 60,495	\$ 3,914	\$ 58,375
Employee Benefits	11,516	10,126	1,390	9,500
Books	12,500	13,304	(804)	12,010
Office Supplies & Equipment	2,250	1,973	277	2,048
New Equipment	16,000	7,678	8,322	632
Repairs & Maintenance	27,900	26,313	1,587	7,583
Audit Fee	1,170	1,215	(45)	968
Postage & Freight	710	668	42	868
Insurance	3,832	3,694	138	3,294
Utilities	4,500	4,507	(7)	4,151
Seminars & Workshops	200	-	200	147
Miscellaneous	8,100	6,005	2,095	1,734
Total Expenditures	<u>\$ 153,087</u>	<u>\$ 135,978</u>	<u>\$ 17,109</u>	<u>\$ 101,310</u>
Excess of (Deficiency) Revenues Over Expenditures	<u>\$ (30,287)</u>	<u>\$ 1,124</u>	<u>\$ 31,411</u>	<u>\$ 27,458</u>
Unreserved Fund Balance-Beginning	<u>\$ 175,953</u>	<u>\$ 175,953</u>	<u>\$ -</u>	<u>\$ 148,495</u>
Unreserved Fund Balance-Ending	<u><u>\$ 145,666</u></u>	<u><u>\$ 177,077</u></u>	<u><u>\$ 31,411</u></u>	<u><u>\$ 175,953</u></u>

CITY OF JENNINGS, LOUISIANA
GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL		
GENERAL GOVERNMENT:				
LEGAL DEPARTMENT:				
Salaries	\$ 65,457	\$ 64,635	\$ 822	\$ 56,571
Employee Benefits	14,520	13,580	940	12,548
Office Supplies	4,000	1,961	2,039	2,355
Legal Expense	12,000	7,346	4,654	20,323
Coroner Expense	5,500	7,560	(2,060)	6,700
Audit Fee	780	810	(30)	10,275
Postage & Freight	255	245	10	218
Insurance	2,931	2,755	176	2,262
Utilities	2,000	2,065	(65)	2,123
Miscellaneous	1,300	2,552	(1,252)	1,132
Total Legal Department	\$ 108,743	\$ 103,509	\$ 5,234	\$ 114,507
FINANCE DEPARTMENT:				
Equipment	\$ -	\$ 1,031	(1,031)	\$ -
Salaries	192,806	182,998	9,808	177,684
Employee Benefits	33,610	32,849	761	29,537
Office Supplies	10,000	10,447	(447)	7,906
Repairs & Maintenance	6,500	5,147	1,353	5,156
Audit Fee	2,860	2,969	(109)	2,663
Tax Roll Expense	6,000	6,139	(139)	5,962
Postage & Freight	1,425	1,116	309	1,302
Travel & Meals	1,500	1,492	8	944
Seminars & Workshops	1,500	1,122	378	1,016
LMA Expense	5,000	2,577	2,423	3,165
Gas & Oil	1,000	838	162	862
Publishing & Printing	6,600	7,146	(546)	5,901
Insurance	12,489	10,291	2,198	10,060
Utilities	4,000	3,599	401	3,188
Miscellaneous	10,100	9,736	364	13,854
Total Finance Department	\$ 295,390	\$ 279,497	\$ 15,893	\$ 269,200
ADMINISTRATIVE BUILDING:				
Salaries	\$ 17,300	\$ 16,683	\$ 617	\$ 15,110
Employee Benefits	3,538	3,329	209	3,020
Repairs & Maintenance	1,100	927	173	1,512
Audit Fee	390	405	(15)	363
Postage & Freight	170	164	6	145
Gas & Oil	700	543	157	1,104
Insurance	3,808	3,419	389	3,360
Utilities	13,000	10,319	2,681	12,391
Total Administrative Building	\$ 40,006	\$ 35,789	\$ 4,217	\$ 37,005
Total General Government	\$ 444,139	\$ 418,795	\$ 25,344	\$ 420,712
PUBLIC SAFETY:				
POLICE DEPARTMENT				
Salaries	\$ 673,263	\$ 650,434	\$ 22,829	\$ 605,489
Overtime	15,000	29,086	(14,086)	33,293
Employee Benefits	140,537	129,116	11,421	122,473
Office Supplies	8,800	9,145	(345)	10,822
Repairs & Maintenance	23,250	22,802	448	20,681
Audit Fee	2,730	2,834	(104)	2,542
Postage & Freight	1,050	828	222	726
Travel & Meals	3,000	2,900	100	2,330
Seminars & Workshops	2,500	24	2,476	(89)
Gas & Oil	20,000	20,533	(533)	20,026
Publishing & Printing	400	375	25	515
Insurance	120,534	107,956	12,578	94,690
Utilities	12,500	12,047	453	12,205
Uniforms & Miscellaneous	81,750	86,552	(4,802)	86,302
Total Police Department	\$ 1,105,314	\$ 1,074,632	\$ 30,682	\$ 1,012,005

CITY OF JENNINGS, LOUISIANA

PERPETUAL CARE FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<u>REVENUES:</u>				
Receipts for Perpetual Care	\$ 5,000	\$ 7,400	\$ 2,400	\$ 7,100
<u>EXPENDITURES:</u>				
Audit Expense	\$ 260	\$ 270	\$ (10)	\$ 242
Excess of Revenues over Expenditures	\$ 4,740	\$ 7,130	\$ 2,390	\$ 6,858
Unreserved Fund Balance-Beginning	\$ 140,174	\$ 140,174	\$ -	\$ 133,316
Unreserved Fund Balance-Ending	\$ 144,914	\$ 147,304	\$ 2,390	\$ 140,174

CITY OF JENNINGS, LOUISIANA

HOTEL/MOTEL TAX FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1996 AND 1995

	<u>JUNE 30, 1996</u>	<u>JUNE 30, 1995</u>
<u>ASSETS</u>		
Cash	\$ 26,330	\$ 16,483
Accounts Receivable	4,074	4,531
Total Assets	<u>\$ 30,404</u>	<u>\$ 21,014</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	<u>\$ 342</u>	<u>\$ 647</u>
Total Liabilities	<u>\$ 342</u>	<u>\$ 647</u>
FUND BALANCE:		
Unreserved	<u>\$ 30,062</u>	<u>\$ 20,367</u>
Total Fund Balance	<u>\$ 30,062</u>	<u>\$ 20,367</u>
Total Liabilities and Fund Balance	<u>\$ 30,404</u>	<u>\$ 21,014</u>

CITY OF JENNINGS, LOUISIANA

HOTEL/MOTEL TAX FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:				
Intergovernmental Revenue	\$ 44,000	\$ 53,413	\$ 9,413	\$ 46,447
Miscellaneous Revenue	300	-	(300)	740
Total Revenues	<u>\$ 44,300</u>	<u>\$ 53,413</u>	<u>\$ 9,113</u>	<u>\$ 47,187</u>
EXPENDITURES:				
<u>Culture & Recreation:</u>				
Advertising & Promotional	\$ 24,300	\$ 25,240	\$ (940)	\$ 21,644
Salaries	4,000	4,015	(15)	4,844
Casual Labor	3,600	3,600	-	3,600
Supplies	500	570	(70)	219
Postage & Freight	2,200	1,454	746	2,603
Audit Expense	780	810	(30)	727
Insurance	452	409	43	336
Utilities	1,200	1,232	(32)	1,228
Miscellaneous	7,090	6,388	702	8,148
Total Expenditures	<u>\$ 44,122</u>	<u>\$ 43,718</u>	<u>\$ 404</u>	<u>\$ 43,349</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ 178</u>	<u>\$ 9,695</u>	<u>\$ 9,517</u>	<u>\$ 3,838</u>
Unreserved Fund Balance-Beginning	<u>\$ 20,367</u>	<u>\$ 20,367</u>	<u>\$ -</u>	<u>\$ 16,529</u>
Unreserved Fund Balance-Ending	<u><u>\$ 20,545</u></u>	<u><u>\$ 30,062</u></u>	<u><u>\$ 9,517</u></u>	<u><u>\$ 20,367</u></u>

CITY OF JENNINGS, LOUISIANA
 LCDBG FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 1996 AND 1995

	<u>JUNE 30,</u> 1996	<u>JUNE 30,</u> 1995
<u>ASSETS</u>		
RESTRICTED ASSETS:		
Cash in Bank	\$ 25,558	\$ 7,693
Investments	100,000	100,000
Loan Receivable	-	23,144
	<hr/>	<hr/>
Total Assets	<u>\$ 125,558</u>	<u>\$ 130,837</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Due to State of Louisiana	\$ -	\$ 11,573
Total Liabilities	<u>\$ -</u>	<u>\$ 11,573</u>
FUND BALANCE:		
Reserved for Revolving Loan Program	<u>\$ 125,558</u>	<u>\$ 119,264</u>
Total Liabilities and Fund Balance	<u>\$ 125,558</u>	<u>\$ 130,837</u>

CITY OF JENNINGS, LOUISIANA

LCDBG FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:				
Interest Income	\$ 3,579	\$ 6,294	\$ 2,715	\$ 5,120
EXPENDITURES:				
Audit Fees	\$ -	\$ -	\$ -	\$ 242
Total Expenditures	\$ -	\$ -	\$ -	\$ 242
Excess (Deficiency) of Revenues Over Expenditures	\$ 3,579	\$ 6,294	\$ 2,715	\$ 4,878
Unreserved Fund Balance-Beginning	\$ -	\$ -	\$ -	\$ -
Decrease (Increase) in Reserve for Revolving Loan Program	\$ (3,579)	\$ (6,294)	\$ (2,715)	\$ (4,878)
Unreserved Fund Balance-Ending	\$ -	\$ -	\$ -	\$ -

CITY OF JENNINGS, LOUISIANA

CAPITAL IMPROVEMENTS FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1996 AND 1995

	<u>JUNE 30, 1996</u>	<u>JUNE 30, 1995</u>
<u>ASSETS</u>		
Investments, at Cost	\$ 906,794	\$ 1,331,794
1% Sales Tax Receivable	17,205	14,814
Due from Clearing Fund	108,587	166,005
Total Assets	<u>\$ 1,032,586</u>	<u>\$ 1,512,613</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 142,954	\$ 36,223
Total Liabilities	<u>\$ 142,954</u>	<u>\$ 36,223</u>
FUND BALANCE:		
Unreserved	\$ 889,632	\$ 1,476,390
Total Fund Balance	<u>\$ 889,632</u>	<u>\$ 1,476,390</u>
Total Liabilities and Fund Balance	<u>\$ 1,032,586</u>	<u>\$ 1,512,613</u>

CITY OF JENNINGS, LOUISIANA

LIBRARY FUND
COMPARATIVE BALANCE SHEET
JUNE 30, 1996 AND 1995

	<u>JUNE 30,</u> <u>1996</u>	<u>JUNE 30,</u> <u>1995</u>
<u>ASSETS</u>		
Cash	\$ 131	\$ 131
Investment, At Cost	100,000	150,000
Due From Clearing Fund	77,793	26,434
	<u>177,924</u>	<u>176,565</u>
Total Assets	\$ 177,924	\$ 176,565
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 847	\$ 612
	<u>847</u>	<u>612</u>
Total Liabilities	\$ 847	\$ 612
FUND BALANCE:		
Unreserved	\$ 177,077	\$ 175,953
	<u>177,077</u>	<u>175,953</u>
Total Liabilities and Fund Balance	\$ 177,924	\$ 176,565

CITY OF JENNINGS, LOUISIANA
CAPITAL IMPROVEMENTS FUND
STATEMENT OF REVENUES, EXPENDITURES, AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
REVENUES:				
Taxes-1% Sales Tax	\$ 175,000	\$ 191,515	\$ 16,515	\$ 177,640
Intergovernmental Revenue-				
State Revenue Sharing	50,000	41,961	(8,039)	43,460
Grant Revenue	51,000	53,500	2,500	10,000
Miscellaneous	177,299	177,951	652	652,487
UST Trust Fund Revenue	15,000	33,369	18,369	-
Interest Income	30,000	69,522	39,522	45,474
Total Revenues	<u>\$ 498,299</u>	<u>\$ 567,818</u>	<u>\$ 69,519</u>	<u>\$ 929,061</u>
EXPENDITURES:				
General Government:				
Dog Pound Shelter	\$ 1,000	\$ 919	\$ 81	\$ -
Economic Development Commission	30,000	30,000	-	30,000
IMCAI Dues	1,700	2,029	(329)	1,696
Repairs-Safety Building	70,000	55,608	14,392	4,205
Improvements-Safety Building	80,000	50,214	29,786	4,895
Sidewalk Repairs	30,000	29,124	876	29,629
Vaccinations-Police Department	-	-	-	480
Used Vehicles	17,000	17,206	(206)	-
J.D. Civil Air Patrol	5,000	5,000	-	2,000
Tree Trimming	20,000	9,599	10,401	13,309
Northside Officer	5,000	-	5,000	5,000
Martin Home Center	5,000	3,650	1,350	-
Southside Development Grant	20,000	17,820	2,180	-
Cemetery Map & Rep	5,000	1,205	3,795	-
Phone System-City Hall	8,000	8,343	(343)	-
City Court-Copier	2,000	1,956	44	1,956
Total General Government	<u>\$ 299,700</u>	<u>\$ 232,673</u>	<u>\$ 67,027</u>	<u>\$ 93,170</u>
Public Works:				
Drainage Project	\$ -	\$ -	\$ -	\$ 5,299
Chemicals for Ditches	-	-	-	11,010
Equipment & Equipment Renovation	10,000	7,503	2,497	14,338
Equipment-Street	-	-	-	2,600
Street Sweeper	-	-	-	109,581
Potholes	-	-	-	11,403
Street Improvements	600,000	619,059	(19,059)	206,385
UST Removal	15,000	22,470	(7,470)	33,011
Motrim Repairs	-	-	-	3,234
Lot Work	12,000	2,556	9,444	-
Total Public Works	<u>\$ 637,000</u>	<u>\$ 651,588</u>	<u>\$ (14,588)</u>	<u>\$ 396,861</u>

CITY OF JENNINGS, LOUISIANA
 STREET GRANT
 COMPARATIVE BALANCE SHEET
 JUNE 30, 1996 AND 1995

	JUNE 30, 1996	JUNE 30, 1995
<u>ASSETS</u>		
Due from Capital Improvements Fund	\$ -	\$ -
Due from Other Governments	-	-
	-	-
Total Assets	\$ -	\$ -
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ -
Contracts Payable	168,421	-
Retainage Payable	17,243	-
Total Liabilities	\$ 185,664	\$ -
FUND BALANCE:		
Unreserved (Deficit)	(185,664)	-
Total Liabilities and Fund Balance	\$ -	\$ -

CAPITAL PROJECTS FUND

Street Grant - To account for receipts from Louisiana Community Development Block Grant (LCDBG) and matching amounts to be provided by City, and the expenditure of these funds to accomplish the street enhancement project.

CITY OF JENNINGS, LOUISIANA

GARMENT FACTORY SINKING FUND
 STATEMENT OF REVENUES, EXPENDITURES, AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996

	<u>BUDGET</u>	<u>ACTUAL</u>	<u>VARIANCE FAVORABLE (UNFAVORABLE)</u>
<u>REVENUES:</u>			
Grant from Jennings Manufacturing	\$ -	\$ 24,848	\$ 24,848
Interest Income	800	1,200	400
Total Revenues	<u>\$ 800</u>	<u>\$ 26,048</u>	<u>\$ 25,248</u>
<u>EXPENDITURES:</u>			
Principal Retirement	\$ -	\$ -	\$ -
Interest Expense & Fiscal Charges	-	-	-
Audit Fee	-	-	-
Excess Rent Refunded	-	-	-
Total Expenditures	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Excess (Deficiency) of Revenues over Expenditures	<u>\$ 800</u>	<u>\$ 26,048</u>	<u>\$ 25,248</u>
Other Financing Sources (Uses)			
Operating Transfer to Capital Improvements	<u>\$ -</u>	<u>\$ (26,048)</u>	<u>\$ (26,048)</u>
Total Fund Balance-Beginning	<u>\$ -</u>	<u>\$ -</u>	<u>\$ -</u>
Total Fund Balance-Ending	<u>\$ 800</u>	<u>\$ -</u>	<u>\$ (800)</u>

CITY OF JENNINGS, LOUISIANA
 GARMENT FACTORY SINKING FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 1996 AND 1995

	<u>JUNE 30,</u> <u>1996</u>	<u>JUNE 30,</u> <u>1995</u>
<u>ASSETS</u>		
Investments	\$ -	\$ 20,000
Due from Clearing Fund	-	4,848
	<hr/>	<hr/>
Total Assets	<u>\$ -</u>	<u>\$ 24,848</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ -	\$ 24,848
Total Liabilities	<u>\$ -</u>	<u>\$ 24,848</u>
FUND BALANCE:		
Reserved for Debt Service	\$ -	\$ -
Reserved for Garment Factory	-	-
Total Fund Balance	<u>\$ -</u>	<u>\$ -</u>
Total Liabilities and Fund Balance	<u>\$ -</u>	<u>\$ 24,848</u>

DEBT SERVICE FUNDS

Garment Factory Sinking Fund - To accumulate monies for payment of 1973 \$400,000 Public Improvement General Obligation Bonds, which are serial bonds due in annual installments, plus interest, till maturity in 1993. Jennings Manufacturing Co., Inc. has leased the property purchased with these bond proceeds, with the lease payments financing the debt service on these bonds. All bonds were redeemed in fiscal 1994. According to the original lease, the remaining funds belong to Jennings Manufacturing Co. as overpaid rental payments. All assets were distributed and the fund was terminated in fiscal 1996.

CITY OF JENNINGS, LOUISIANA
UTILITY FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<u>Sewer Plant:</u>				
Salaries	\$ 29,702	\$ 31,253	\$ (1,551)	\$ 28,962
Overtime	3,000	4,630	(1,630)	3,202
Employee Benefits	6,850	7,064	(214)	6,786
Supplies	10,300	10,504	(204)	8,210
Repairs & Maintenance	31,000	36,702	(5,702)	17,965
Engineer Retainer & Fees	1,800	1,800	-	1,650
Audit Fees	1,170	1,215	(45)	1,452
Postage & Freight	455	366	89	405
Insurance	13,027	11,345	1,682	11,551
Utilities	28,000	32,447	(4,447)	26,641
Miscellaneous	27,300	26,520	780	24,292
Right of Way	800	770	30	790
Toxicity Reduction Evaluation	10,000	-	10,000	5,333
Depreciation	37,000	47,605	(10,605)	36,285
Total Sewer Plant	\$ 200,404	\$ 212,221	\$ (11,817)	\$ 173,524
<u>Revenue Office:</u>				
Salaries	\$ 92,214	\$ 92,608	\$ (394)	\$ 87,382
Overtime	500	184	316	-
Employee Benefits	18,177	17,552	625	16,592
Supplies	5,000	5,027	(27)	2,240
Repairs & Maintenance	4,500	5,129	(629)	4,374
Audit Fee	1,170	1,215	(45)	1,452
Postage & Freight	6,508	6,747	(239)	6,454
Seminars & Workshops	250	-	250	69
Gas & Oil	1,400	1,247	153	1,428
Insurance	9,220	8,508	712	8,385
Utilities	350	341	9	309
Trash Bags	7,000	5,151	1,849	5,977
Miscellaneous	400	190	210	219
Depreciation	3,500	5,491	(1,991)	5,120
Total Revenue Office	\$ 150,189	\$ 149,390	\$ 799	\$ 140,001
Total Operating Expenses	\$ 1,068,242	\$ 1,056,790	\$ 11,452	\$ 987,685
Operating Income (Loss)	\$ 125,608	\$ 186,139	\$ 60,531	\$ 236,883
<u>NONOPERATING REVENUES (EXPENSES):</u>				
Interest Income	\$ 15,000	\$ 47,719	\$ 32,719	\$ 19,912
Gain (Loss) on Disposition	-	(318)	(318)	(288)
Total Nonoperating Revenues (Loss)	\$ 15,000	\$ 47,401	\$ 32,401	\$ 19,624
Income Before Operating Transfers	\$ 140,608	\$ 233,540	\$ 92,932	\$ 256,507
<u>OPERATING TRANSFERS IN (OUT):</u>				
From Capital Improvement Fund	\$ -	\$ 561	\$ 561	\$ -
1994 1% Sales Tax Fund	625,000	602,850	(22,150)	291,667
To General Fund	(125,000)	(126,031)	(1,031)	(126,614)
Total Operating Transfers In (Out)	\$ 500,000	\$ 477,380	\$ (22,620)	\$ 165,053
Net Income (Loss)	\$ 640,608	\$ 710,920	\$ 70,312	\$ 421,560

CITY OF JENNINGS, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL		
CULTURE-RECREATION:				
RECREATION:				
Salaries	\$ 111,013	\$ 108,406	\$ 2,607	\$ 98,532
Employee Benefits	17,742	17,099	643	14,749
Supplies	8,800	7,507	1,293	7,628
Repairs & Maintenance	21,000	23,732	(2,732)	21,383
Audit Fee	1,040	1,080	(40)	968
Postage & Freight	425	409	16	363
Gas & Oil	2,600	2,335	265	2,660
Insurance	15,066	14,470	596	12,619
Utilities	25,000	25,679	(679)	19,412
Miscellaneous	300	126	174	82
Total Recreation	\$ 202,986	\$ 200,843	\$ 2,143	\$ 178,396
TUPPER MUSEUM:				
Salaries	\$ 36,504	\$ 35,165	\$ 1,339	\$ 33,188
Employee Benefits	6,937	7,925	(988)	6,467
Supplies	1,750	1,517	233	1,487
Repairs & Maintenance	2,800	2,217	583	2,850
Audit Fee	780	810	(30)	726
Postage & Freight	220	210	10	145
Insurance	2,455	2,153	302	2,111
Utilities	7,000	7,210	(210)	7,079
Seminars & Workshops	200	105	95	239
Travel & Meals	300	383	(83)	218
Miscellaneous	50,550	37,182	13,368	49,453
Total Tupper Museum	\$ 109,496	\$ 94,877	\$ 14,619	\$ 103,963
STRAND THEATER:				
Salaries	\$ 2,000	\$ 45	\$ 1,955	\$ 430
Supplies	350	156	194	233
Repairs & Maintenance	2,250	3,609	(1,359)	3,020
Insurance	676	598	78	551
Audit Fees	390	405	(15)	363
Utilities	6,000	8,411	(2,411)	8,742
Rental	300	-	300	-
Movies & Performances	2,500	1,431	1,069	215
Advertising	1,500	22	1,478	1,498
Purchases	2,000	2,054	(54)	2,166
Miscellaneous	285	129	156	115
Total Strand Theater	\$ 18,251	\$ 16,860	\$ 1,391	\$ 17,333
Total Culture-Recreation	\$ 330,733	\$ 312,580	\$ 18,153	\$ 299,692
OTHER:				
CEMETERY:				
Salaries	\$ 22,870	\$ 22,844	\$ 26	\$ 22,614
Employee Benefits	5,792	5,602	190	5,448
Repairs & Maintenance	2,050	2,353	(303)	1,260
Equipment	-	-	-	1,614
Audit Fee	780	810	(30)	726
Postage & Freight	85	82	3	73
Gas & Oil	750	565	185	654
Insurance	3,829	3,524	305	3,662
Utilities	400	405	(5)	443
Total Cemetery	\$ 36,556	\$ 36,185	\$ 371	\$ 36,494
TOTAL EXPENDITURES	\$ 2,909,042	\$ 2,756,520	\$ 152,522	\$ 2,694,757

PRIMARY GOVERNMENT FINANCIAL STATEMENTS
(COMBINED STATEMENTS-OVERVIEW)

CITY OF JENNINGS, LOUISIANA

GENERAL FUND
STATEMENT OF EXPENDITURES COMPARED TO BUDGET (GAAP BASIS)
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL		
PUBLIC SAFETY (CONTINUED):				
SAFETY BUILDING:				
Supplies	\$ 750	\$ 673	\$ 77	\$ 693
Repairs & Maintenance	2,000	2,214	(214)	2,881
Audit Fee	780	810	(30)	726
Postage & Freight	170	164	6	145
Insurance	3,743	3,129	614	3,261
Utilities	30,000	28,471	1,529	25,849
Total Safety Building	\$ 37,443	\$ 35,461	\$ 1,982	\$ 33,555
FIRE DEPARTMENT:				
Salaries	\$ 289,880	\$ 266,983	\$ 22,897	\$ 258,370
Overtime	21,000	21,974	(974)	18,393
Employee Benefits	63,979	63,034	945	62,046
Supplies	6,000	6,643	(643)	6,280
Repairs & Maintenance	15,000	19,523	(4,523)	23,048
Equipment	29,000	28,551	449	23,931
Audit Fee	2,600	2,699	(99)	2,421
Postage & Freight	1,000	845	155	745
Travel & Meals	2,500	2,616	(116)	3,081
Seminars & Workshops	4,000	4,285	(285)	3,493
Gas & Oil	6,000	5,934	66	6,536
Insurance	52,142	48,582	3,560	48,429
Utilities	9,500	10,323	(823)	8,587
Miscellaneous	53,150	41,202	11,948	69,209
Total Fire Department	\$ 555,751	\$ 523,194	\$ 32,557	\$ 534,569
DOG POUND:				
Salaries	\$ 13,933	\$ 12,987	\$ 946	\$ 11,269
Employee Benefits	3,212	2,966	246	2,175
Supplies	2,300	2,058	242	1,850
Repairs & Maintenance	1,000	933	67	685
Audit Fee	650	675	(25)	605
Postage & Freight	170	164	6	145
Gas & Oil	700	361	339	421
Insurance	1,209	1,171	38	1,024
Miscellaneous	2,850	2,013	837	2,553
Total Dog Pound	\$ 26,024	\$ 23,328	\$ 2,696	\$ 20,727
Total Public Safety	\$ 1,724,532	\$ 1,656,615	\$ 67,917	\$ 1,600,856
PUBLIC WORKS:				
GARAGE COMPLEX:				
Salaries	\$ 16,640	\$ -	\$ 16,640	\$ 678
Employee Benefits	3,515	-	3,515	55
Repairs & Maintenance	2,000	3,038	(1,038)	496
Audit Fee	780	810	(30)	726
Postage & Freight	170	164	6	145
Gas & Oil	500	-	500	(56)
Insurance	2,602	1,324	1,278	1,459
Miscellaneous	100	-	100	-
Utilities	111,000	104,058	6,942	100,255
Total Garage Complex	\$ 137,307	\$ 109,394	\$ 27,913	\$ 103,758
SANITATION:				
Salaries	\$ -	\$ -	\$ -	\$ 10,400
Employee Benefits	-	-	-	3,171
Audit Fee	780	810	(30)	726
Postage & Freight	3,197	3,387	(190)	3,094
Solid Waste Collection & Disposal	228,500	215,635	12,865	210,802
Insurance	1,798	1,565	233	3,473
Miscellaneous	1,500	1,554	(54)	1,579
Total Sanitation	\$ 235,775	\$ 222,951	\$ 12,824	\$ 233,245

CITY OF JENNINGS, LOUISIANA
NOTES TO FINANCIAL STATEMENTS
JUNE 30, 1996

(20) OTHER FINANCIAL ASSISTANCE

The City's police, firemen and city marshall receive supplemental pay from the State of Louisiana that is paid directly to these employees, and is in addition to regular and overtime salaries paid by the City. For the year ended June 30, 1996, the State paid these employees \$107,996.

FINANCIAL STATEMENTS OF INDIVIDUAL FUNDS
AND ACCOUNT GROUPS

GENERAL FUND

To account for resources traditionally associated with governments which are not required to be accounted for in another fund and to account for the receipt and use or transfer of 86% (changed in fiscal 1994 from 60%) of the proceeds of the City's 1% Sales and Use tax. These taxes are dedicated to: Establishing, acquiring, constructing, improving, operating & maintaining (1) streets, sidewalks, and bridges; (2) drains & drainage facilities; (3) waterwork facilities; (4) sewer & sewerage disposal works; (5) garbage & solid waste facilities; (6) public parks and recreational facilities; (7) fire department stations and equipment, including firetrucks; (8) police department stations and equipment, and furnishings for any of the aforesaid public works, improvements and facilities, including salaries of City employees.

CITY OF JENNINGS, LOUISIANA
 GENERAL FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 1996 AND 1995

	<u>JUNE 30,</u> 1996	<u>JUNE 30,</u> 1995 (RESTATED)
<u>ASSETS</u>		
<u>ASSETS:</u>		
Cash	\$ 20,159	\$ 12,646
Investments, at Cost	1,000,000	684,943
Accounts Receivables	124,952	119,484
Inventory	34,220	32,634
Due from Other Funds	177,281	279,348
	<hr/>	<hr/>
Total Assets	<u>\$ 1,356,612</u>	<u>\$ 1,129,055</u>
<u>LIABILITIES AND FUND BALANCE</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 54,430	\$ 51,665
Due to Other Governments	-	191,632
	<hr/>	<hr/>
Total Liabilities	<u>\$ 54,430</u>	<u>\$ 243,297</u>
<u>FUND BALANCE:</u>		
Reserved for Inventory	\$ 34,220	\$ 32,634
Reserved for Impact Fee	10,000	10,000
Unreserved	1,257,962	843,124
	<hr/>	<hr/>
Total Fund Balance	<u>\$ 1,302,182</u>	<u>\$ 885,758</u>
	<hr/>	<hr/>
Total Liabilities and Fund Balance	<u>\$ 1,356,612</u>	<u>\$ 1,129,055</u>

CITY OF JENNINGS, LOUISIANA

GENERAL FUND
STATEMENT OF REVENUES, EXPENDITURES AND
CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR THE YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996		VARIANCE FAVORABLE (UNFAVORABLE)	JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL		
REVENUES:				
Taxes-				
Ad Valorem	\$ 210,000	\$ 233,016	\$ 23,016	\$ 216,392
1% Sales Tax	1,075,000	1,176,449	101,449	1,091,218
Utility Franchise	490,000	490,660	660	485,564
Licenses and Permits-				
Occupational Licenses	240,000	285,901	45,901	274,991
Beer & Liquor Licenses	11,000	11,720	720	11,453
Building Permits	14,000	35,861	21,861	25,913
Intergovernmental Revenue-				
Tobacco Tax	55,000	55,109	109	55,197
Beer Tax	14,000	19,512	5,512	11,691
Payments in Lieu of Taxes	4,000	4,114	114	3,578
Fire Protection-Parish	20,000	20,000	-	20,000
Charges for Services	325,700	332,812	7,112	327,719
Fines and Forfeits	44,550	38,207	(6,343)	44,891
Interest Income	15,000	49,495	34,495	29,699
Rents & Royalties	19,500	16,027	(3,473)	17,052
Gift Shop Sales	50,000	40,536	(9,464)	46,040
Museum Fees	15,313	14,940	(373)	16,730
DOC Prisoner Program	45,000	37,821	(7,179)	40,236
Theater Revenue	13,000	9,718	(3,282)	10,747
Miscellaneous	113,500	175,015	61,515	180,013
Total Revenues	<u>\$ 2,774,563</u>	<u>\$ 3,046,913</u>	<u>\$ 272,350</u>	<u>\$ 2,909,124</u>
EXPENDITURES:				
Current:				
General Government	\$ 444,139	\$ 418,795	\$ 25,344	\$ 420,712
Public Safety	1,724,532	1,656,615	67,917	1,600,856
Public Works	137,307	109,394	27,913	103,758
Sanitation	235,775	222,951	12,824	233,245
Culture-Recreation	330,733	312,580	18,153	299,692
Other	36,556	36,185	371	36,494
Total Expenditures	<u>\$ 2,909,042</u>	<u>\$ 2,756,520</u>	<u>\$ 152,522</u>	<u>\$ 2,694,757</u>
Excess (Deficiency) of Revenues Over Expenditures	<u>\$ (134,479)</u>	<u>\$ 290,393</u>	<u>\$ 424,872</u>	<u>\$ 214,367</u>
Other Financing Sources (Uses):				
Operating Transfers in From:				
Utility Fund	\$ 125,000	\$ 126,031	\$ 1,031	\$ 126,614
Operating Transfers Out To:				
Police Pension Fund	-	-	-	-
Total Other Financing Sources (Uses)	<u>\$ 125,000</u>	<u>\$ 126,031</u>	<u>\$ 1,031</u>	<u>\$ 126,614</u>
Excess (Deficiency) of Revenues And Other Sources Over Expenditures	<u>\$ (9,479)</u>	<u>\$ 416,424</u>	<u>\$ 425,903</u>	<u>\$ 340,981</u>
Unreserved Fund Balance-Beginning	\$ 843,124	\$ 843,124	\$ -	\$ 499,700
Add:				
Decrease in Reserves	-	32,634	32,634	35,077
Less:				
Reserve for Inventory	-	(34,220)	(34,220)	(32,634)
Unreserved Fund Balance-Ending	<u>\$ 833,645</u>	<u>\$ 1,257,962</u>	<u>\$ 424,317</u>	<u>\$ 843,124</u>

CITY OF JENNINGS, LOUISIANA

STREET GRANT
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN FUND BALANCE-BUDGET (GAAP BASIS) AND ACTUAL
 FROM INCEPTION AND FOR THE YEAR ENDED JUNE 30, 1996

	<u>PROJECT AUTHORIZATION</u>	<u>PRIOR YEAR</u>	<u>CURRENT YEAR</u>	<u>TOTAL TO DATE</u>
<u>REVENUES:</u>				
Intergovernmental-Federal LCDB Grant	\$ 467,886	\$ -	\$ 25,218	\$ 25,218
<u>EXPENDITURES:</u>				
Capital Outlays	488,688	-	221,577	221,577
(Deficiency) of Revenues over Expenditures	\$ (20,802)	\$ -	\$ (196,359)	\$ (196,359)
<u>OTHER FINANCING SOURCES:</u>				
Operating Transfer in From: 1% Sales Tax Fund	20,802	-	10,695	10,695
Excess (Deficiency) of Revenues and Other Financing Sources Over (Under) Expenditures	<u>\$ -</u>	<u>\$ -</u>	\$ (185,664)	<u>\$ (185,664)</u>
Unreserved Fund Balance-Beginning			-	
Unreserved Fund Balance-Ending (Deficit)			<u>\$ (185,664)</u>	

CITY OF JENNINGS, LOUISIANA

1994 1% SALES TAX FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 1996

	<u>JUNE 30,</u> <u>1996</u>	<u>JUNE 30,</u> <u>1995</u>
<u>ASSETS</u>		
Investment, at Cost	\$ 100,000	\$ -
Accounts Receivable	122,893	105,814
Due from Clearing Fund	<u>141,533</u>	<u>226,067</u>
Total Assets	<u>\$ 364,426</u>	<u>\$ 331,881</u>
<u>LIABILITIES AND FUND BALANCE</u>		
LIABILITIES:		
Accounts Payable	\$ 265	\$ -
Total Liabilities	<u>\$ 265</u>	<u>\$ -</u>
FUND BALANCE:		
Unreserved	\$ 364,161	\$ 331,881
Total Fund Balance	<u>\$ 364,161</u>	<u>\$ 331,881</u>
Total Liabilities and Fund Balance	<u>\$ 364,426</u>	<u>\$ 331,881</u>

KRIELOW, GILLESPIE & CO.

A CORPORATION OF CERTIFIED PUBLIC ACCOUNTANTS

510 N. CUTTING

P. O. DRAWER 918

JENNINGS, LA 70546

(318) 824-5007

MANAGEMENT MEMORANDUM

To the Mayor and City Council
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana for the year ended June 30, 1996, and have issued our report thereon dated December 10, 1996. As part of our audit, we made a study and evaluation of the City's internal control structure to the extent we considered necessary to evaluate the structure as required by generally accepted auditing standards. The purpose of our study and evaluation was to determine the nature, timing, and extent of the auditing procedures necessary for expressing an opinion on the City's financial statements. Our study and evaluation was more limited than would be necessary to express an opinion on the internal control structure taken as a whole.

The management of the City of Jennings, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and the procedures may deteriorate.

Our study and evaluation made for the limited purpose described in the first paragraph would not necessarily disclose all material weaknesses in the structure. Accordingly, we do not express an opinion on the internal control structure of the City of Jennings, Louisiana taken as a whole. However, our audit disclosed the following conditions that we believe results in more than a relatively low risk that errors or irregularities in amounts that would be material in relation to the financial statements of the City of Jennings, Louisiana may occur and not be detected within a timely period.

Condition: The City purchased its annual fuel and oil needs from one supplier and purchased uniforms for its police department that in both cases exceeded \$10,000. Both of these instances are violations of La. Revised Statue 38:2212(A)(1)(a) that require any purchase of material and/or supplies of \$10,000 or more to be acquired through a public bidding process.

Recommendation:

Procedures should be instituted to provide compliance with state law when materials and/or supplies are purchased.

Client Response:

The City Clerk concurs with the findings and has indicated that he, as well as all department heads, will familiarize themselves with the state statutes pertaining to the purchase of materials and/or supplies and comply accordingly.

CITY OF JENNINGS, LOUISIANA

UTILITY FUND
STATEMENT OF REVENUES, EXPENSES AND
CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL
FOR THE FISCAL YEAR ENDED JUNE 30, 1996
WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL (RESTATED)
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
Decrease in Reserve for Deposits	\$ -	\$ -	\$ -	\$ 249
Unreserved Retained Earnings, Beginning	1,378,805	1,378,805	-	956,996
Unreserved Retained Earnings, Ending	<u>\$ 2,019,413</u>	<u>\$ 2,089,725</u>	<u>\$ 70,312</u>	<u>\$ 1,378,805</u>
Contributed Capital, Beginning	\$ 632,229	\$ 632,229	\$ -	\$ 527,331
Capital Grants	-	-	-	98,661
Government's Contribution	-	-	-	6,237
Contributed Capital, Ending	<u>\$ 632,229</u>	<u>\$ 632,229</u>	<u>\$ -</u>	<u>\$ 632,229</u>

CITY OF JENNINGS, LOUISIANA

ANNUAL FINANCIAL REPORT
JUNE 30, 1996

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The above conditions were considered in determining the nature, timing, and extent of the audit tests to be applied in our audit of the primary government financial statements for the fiscal year ended June 30, 1996 and this report does not affect our report on these financial statements dated December 10, 1996.

Krielow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
December 10, 1996

CITY OF JENNINGS, LOUISIANA

SCHEDULE OF FEDERAL FINANCIAL ASSISTANCE
FOR THE YEAR ENDED JUNE 30, 1996

<u>Federal Grantor/ Pass-Through Grantor/ Program Name</u>	<u>CFDA Number</u>	<u>Receipts</u>	<u>Expenditures</u>
<u>United States Department of Housing and Urban Development</u> Passed through Louisiana Division of Administration- Community Development Block Grants/States' Program	14.219	\$ 25,218	\$ 25,218
<u>U.S. Environmental Protection Agency*</u> Passed through Louisiana Department of Environmental Quality State Revolving Loan Fund for Capitalization Grants	66.458	<u>1,136,270</u>	<u>652,958</u>
Total Receipts/Expenditures		<u>\$ 1,161,488</u>	<u>\$ 648,176</u>

* Major Program

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH SPECIFIC REQUIREMENTS APPLICABLE TO MAJOR
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Mayor and City Council
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana as of and for the year ended June 30, 1996, and have issued our report thereon dated December 10, 1996.

We have also audited the City of Jennings' compliance with the requirements governing types of services allowed or unallowed; eligibility; matching, level of effort, or earmarking; reporting; special requirements, if any; claims for advances and reimbursements; and amounts claimed or used for matching that are applicable to each of its major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance, for the year ended June 30, 1996. The management of the City is responsible for the City's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements based on our audit.

We conducted our audit of compliance with those requirements in accordance with generally accepted auditing standards, *Government Auditing Standards*, issued by the Comptroller General of the United States, and Office of Management and Budget Circular A-128, "Audits of State and Local Governments." Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City's compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

The results of our audit procedures did not disclose any immaterial instances of noncompliance with the requirements referred to in the second paragraph.

In our opinion, the City of Jennings complied, in all material respects, with the specific requirements referred to in the second paragraph that are applicable to its major federal financial assistance program for the year ended June 30, 1996.

This report is intended for the information of the Mayor, City Council, management, the Legislative Auditor, and federal and state grantor agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Krielow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
December 10, 1996

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
WITH THE GENERAL REQUIREMENTS APPLICABLE TO
FEDERAL FINANCIAL ASSISTANCE PROGRAMS

To the Mayor and City Council
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana primary government as of and for the year ended June 30, 1996, and have issued our report thereon dated December 10, 1996.

We have applied procedures to test the City of Jennings, Louisiana primary government's compliance with the following requirements applicable to its federal financial assistance programs, which are identified in the Schedule of Federal Financial Assistance, for the year ended June 30, 1996: political activity, Davis-Bacon Act, civil rights, cash management, allowable costs/cost principles, and Drug-Free Workplace Act.

Our procedures were limited to the applicable procedures described in the Office of Management and Budget's "Compliance Supplement for Single Audits of State and Local Governments". Our procedures were substantially less in scope than an audit, the objective of which is the expression of an opinion on the City of Jennings, Louisiana primary government's compliance with the requirements listed in the preceding paragraph. Accordingly, we do not express such an opinion.

With respect to the items tested, the results of those procedures disclosed no material instances of noncompliance with the requirements listed in the second paragraph of this report. With respect to items not tested, nothing came to our attention that caused us to believe that the City of Jennings, Louisiana primary government had not complied ; in all material respects, with those requirements. Also, the results of our procedures did not disclose any immaterial instances of noncompliance with those requirements.

This report is intended for the information of the Mayor, City Council, management, the Legislative Auditor, and federal and state grantor agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Krielow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
December 10, 1996

control risk. During the year ended June 30, 1996, the City of Jennings, Louisiana expended 57.47% of its total federal financial assistance under major federal financial assistance programs.

We performed test of controls, as required by OMB Circular A-128, to evaluate the effectiveness of the design and operation of internal control structure policies and procedures that we considered relevant to preventing or detecting material noncompliance with specific requirements, general requirements, and requirements governing claims for advances and reimbursements and amounts claimed or used for matching that are applicable to the City's major federal financial assistance programs, which are identified in the accompanying Schedule of Federal Financial Assistance. Our procedures were less in scope than would be necessary to render an opinion on these internal control structure policies and procedures. Accordingly, we do not express such an opinion.

Our consideration of the internal control policies and procedures used in administering federal financial assistance, would not necessarily disclose all matters in the internal control structure that might constitute material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a reportable condition in which the design or operation of one or more of internal control structure elements does not reduce to a relatively low level the risk that noncompliance with laws and regulations that would be material to a federal financial assistance program may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operation that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Jennings, Louisiana, in a separate letter dated December 10, 1996.

This report is intended for the information of the Mayor, City Council, management, the Legislative Auditor, and federal and state grantor agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Krielaw, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
December 10, 1996

INDEPENDENT AUDITORS' REPORT ON INTERNAL
CONTROL STRUCTURE USED IN ADMINISTERING
FEDERAL FINANCIAL ASSISTANCE

To the Mayor and City Council
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 10, 1996. We have also audited the City of Jennings, Louisiana's compliance with requirements applicable to major federal financial assistance programs and have issued our report thereon dated December 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards; *Government Auditing Standards*, issued by the Comptroller General of the United States; and Office of Management and Budget Circular A-128, *Audits of State and Local Governments*. Those standards and OMB Circular A-128 require that we plan and perform the audit to obtain reasonable assurance about whether the primary government financial statements are free of material misstatement.

In performing our audit for the year ended June 30, 1996, we considered the internal control structure of the City of Jennings, Louisiana in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements of the City of Jennings, Louisiana and to report the internal control structure in accordance with OMB Circular A-128. This report addresses our consideration of internal control structure policies and procedures relevant to the compliance with the requirements applicable to federal financial assistance programs. We have addressed internal control structures policies and procedures relevant to our audit of the primary government financial statements in a separate report dated December 10, 1996.

The management of the City of Jennings, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess expected benefits and related cost of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition, that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of primary government financial statements in accordance with generally accepted accounting principles, and that federal financial assistance programs are managed in compliance with applicable laws and regulations. Because of inherent limitations in any internal control structure, errors, irregularities, or instances of non-compliance may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

For purposes of this report, we have classified the significant internal control structure policies and procedures used in administering federal financial assistance programs in the following categories:

<u>Controls Used in Administering Compliance with Laws and Regulations</u>		
<u>Accounting Controls</u>	<u>General Requirements</u>	<u>Specific Requirements</u>
Cash	Political activity	Types of Services allowed or not allowed
Revenue, receivables, and receipts	Civil rights	Matching, level of effort and earmarking
Expenditures for goods and services and accounts payable	Cash management	Claims for advances
Grant and similar programs	Federal financial reports	
	Allowable cost/cost principles	
	Drug Free Workplace act	

For all of the internal control structure categories listed in the preceding paragraph, we obtained an understanding of the design of relevant policies and procedures and determined whether they have been placed in operation, and we assessed

INDEPENDENT AUDITORS' REPORT ON COMPLIANCE
BASED ON AN AUDIT OF PRIMARY GOVERNMENT
FINANCIAL STATEMENTS PERFORMED IN ACCORDANCE WITH
GOVERNMENT AUDITING STANDARDS

To the Mayor and the City Council
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements.

Compliance with laws, regulations, contracts, and grants applicable to the City of Jennings, Louisiana is the responsibility of the City of Jennings, Louisiana's management. As part of obtaining reasonable assurance about whether the financial statements are free of material misstatement, we performed tests of the City of Jennings, Louisiana's compliance with certain provisions of laws, regulations, contracts, and grants. However, the objective of our audit of the primary government financial statements was not to provide an opinion on overall compliance with such provisions. Accordingly, we do not express such an opinion.

The results of our tests disclosed no instances of noncompliance that are required to be reported under *Government Auditing Standards*.

The results of our tests disclosed immaterial instances of noncompliance with the above requirements, which we have communicated to the management of the City of Jennings in a separate letter dated December 10, 1996.

This report is intended for the information of the Mayor, City Council, management, the Legislative Auditor, and federal and state grantor agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Krielow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
December 10, 1996

INDEPENDENT AUDITORS' REPORT ON INTERNAL CONTROL
STRUCTURE BASED ON AN AUDIT OF PRIMARY GOVERNMENT FINANCIAL
STATEMENTS PERFORMED IN ACCORDANCE
WITH *GOVERNMENT AUDITING STANDARDS*

To the Mayor and City Council
City of Jennings, Louisiana

We have audited the primary government financial statements of the City of Jennings, Louisiana, as of and for the year ended June 30, 1996, and have issued our report thereon dated December 10, 1996.

We conducted our audit in accordance with generally accepted auditing standards and *Government Auditing Standards*, issued by the Comptroller General of the United States. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the primary government financial statements are free of material misstatement.

The management of the City of Jennings, Louisiana is responsible for establishing and maintaining an internal control structure. In fulfilling this responsibility, estimates and judgments by management are required to assess the expected benefits and related costs of internal control structure policies and procedures. The objectives of an internal control structure are to provide management with reasonable, but not absolute, assurance that assets are safeguarded against loss from unauthorized use or disposition and that transactions are executed in accordance with management's authorization and recorded properly to permit the preparation of primary government financial statements in accordance with generally accepted accounting principles. Because of inherent limitations in any internal control structure, errors or irregularities may nevertheless occur and not be detected. Also, projection of any evaluation of the structure to future periods is subject to the risk that procedures may become inadequate because of changes in conditions or that the effectiveness of the design and operation of policies and procedures may deteriorate.

In planning and performing our audit of the primary government financial statements of the City of Jennings, Louisiana, for the year ended June 30, 1996, we obtained an understanding of the internal control structure. With respect to the internal control structure, we obtained an understanding of the design of relevant policies and procedures and whether they have been placed in operation, and we assessed control risk in order to determine our auditing procedures for the purpose of expressing our opinion on the primary government financial statements and not to provide an opinion on the internal control structure. Accordingly, we do not express such an opinion.

Our consideration of the internal control structure would not necessarily disclose all matters in the internal control structure that might be material weaknesses under standards established by the American Institute of Certified Public Accountants. A material weakness is a condition in which the design or operation of one or more of the internal control structure elements does not reduce to a relatively low level the risk that errors and irregularities in amounts that would be material in relation to the primary government financial statements being audited may occur and not be detected within a timely period by employees in the normal course of performing their assigned functions. We noted no matters involving the internal control structure and its operations that we consider to be material weaknesses as defined above.

However, we noted certain matters involving the internal control structure and its operation that we have reported to the management of the City of Jennings, Louisiana, in a separate letter dated December 10, 1996.

This report is intended for the information of the Mayor, City Council, management, the Legislative Auditor, and federal and state grantor agencies. This restriction is not intended to limit the distribution of this report, which is a matter of public record.

Krielow, Gillespie & Co.
Certified Public Accountants

Jennings, Louisiana
December 10, 1996

OTHER REPORTS

CITY OF JENNINGS, LOUISIANA
INSURANCE SCHEDULE
FOR THE YEAR ENDED JUNE 30, 1996

COMPANY	POLICY #	TYPE OF COVERAGE	POLICY LIMITS	DEDUCTIBLES	TERM OF COVERAGE
Hartford Steam Boiler	49465163	Boiler and Machinery	1,000,000	1,000	9/25/95 to 9/25/96
Nutmeg Insurance	43CENSA7310	Standard Automobile Liability	500,000	N/A	9/25/95 to 9/25/96
		Hired Auto	No Limit	N/A	9/25/95 to 9/25/96
		Non-Owner Liability	500,000	N/A	9/25/95 to 9/25/96
		Tax	N/A	N/A	N/A
Lumbermens Mutual Casualty	3AT 574 975-03	Fire Equipment	1,219,105	1,000	9/25/95 to 9/25/96
Hartford Steam Boiler	9599169-08	Computer Equipment	88,840	1,000	9/25/95 to 9/25/96
Allstate Insurance Group	49-465163	Fire & Extended Coverage With 90% Co-Insurance Clause	7,981,375	N/A	9/25/95 to 9/25/96
LA Municipal Risk Management Agency	LML 194 ACCT.# 0194	General Liability	500/500,000	N/A	5/15/96 to 5/15/99
		Medical Payments	1,000/10,000	N/A	
		Fire Legal Liability	50,000	N/A	
		Law Enforcement Officers Comprehensive Liability	500,000	5,000	5/15/96 to 5/15/99
		Public Officials E & O Coverage	500,000	5,000	5/15/96 to 5/15/99
LA Municipal Risk Management Agency	WC-0238	Workman's Compensation	100/500,000	N/A	3/1/96 to 3/1/97
The Hartford	PE-PEBBC3977	Fidelity Bond			
		Employee Dishonesty Forgery or Alteration	100,000 100,000	None None	9/25/95 to 9/25/96 9/25/95 to 9/25/96

CITY OF JENNINGS, LOUISIANA

COMBINED SCHEDULE OF INVESTMENTS-BY FUND

JUNE 30, 1996

	<u>MATURITY DATE</u>	<u>INTEREST RATE</u>	<u>TOTAL BOOK VALUE</u>
<u>GENERAL FUND:</u>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 600,000
Certificates of Deposit	9/30/96	5.25%	400,000
Total General Fund Investments			<u>\$ 1,000,000</u>
<u>SPECIAL REVENUE FUNDS:</u>			
<u>STREET FUND:</u>			
Certificates of Deposit	9/30/96	5.25%	\$ 250,000
<u>LIBRARY FUND:</u>			
Certificates of Deposit	9/30/96	5.25%	\$ 100,000
<u>PERPETUAL CARE FUND:</u>			
Certificates of Deposit	9/30/96	5.25%	<u>\$ 140,000</u>
<u>LCDBG FUND:</u>			
Certificates of Deposit	9/30/96	5.25%	<u>\$ 100,000</u>
<u>CAPITAL IMPROVEMENTS FUND:</u>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 806,794
Certificates of Deposit	9/29/95	5.25%	100,000
Total Capital Improvements Fund Investments			<u>\$ 906,794</u>
<u>1994 1% SALES TAX FUND:</u>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	<u>\$ 100,000</u>
Total Special Revenue Fund Investments			<u>\$ 1,596,794</u>
<u>ENTERPRISE FUNDS:</u>			
<u>UTILITY FUND:</u>			
Louisiana Asset Mgmt. Pool (LAMPS)	Variable	Variable	\$ 942,804
Certificates of Deposit	9/29/95	5.25%	260,000
Total Utility Fund			<u>\$ 1,202,804</u>
Total Investments-All Funds			<u>\$ 3,799,598</u>

CITY OF JENNINGS, LOUISIANA

 FIDUCIARY FUNDS
 COMBINING BALANCE SHEET
 JUNE 30, 1996

WITH COMPARATIVE TOTALS FOR JUNE 30, 1995

	PENSION TRUST FUND	CLEARING FUND	TOTALS	
			JUNE 30, 1996	JUNE 30, 1995
<u>ASSETS</u>				
Cash	\$ -	\$ 1,306,629	\$ 1,306,629	\$ 1,100,100
Accounts Receivable	-	-	-	2,091
Due from Clearing Fund	6,138	-	6,138	974
TOTAL ASSETS	\$ 6,138	\$ 1,306,629	\$ 1,312,767	\$ 1,103,165
<u>LIABILITIES AND FUND EQUITY</u>				
LIABILITIES:				
Accrued Taxes	\$ -	\$ 1,567	\$ 1,567	\$ 3,336
Employee Withholding	-	37,173	37,173	28,612
Due to Capital Improvements Fund	-	108,587	108,587	166,005
Due to General Fund	-	177,281	177,281	279,348
Due to Utility Fund	-	663,341	663,341	256,530
Due to Utility Fund-Restricted	-	5,440	5,440	-
Due to Library Fund	-	77,793	77,793	26,434
Due to Garment Factory Fund	-	-	-	4,848
Due to Street Fund	-	70,163	70,163	68,213
Due to Pension Trust Fund	-	6,138	6,138	974
Due to Perpetual Care Fund	-	7,304	7,304	15,174
Due to 1994 1% Sales Tax Fund	-	141,532	141,532	226,067
Due to Zigler Complex Fund	-	10,310	10,310	24,559
Total Liabilities	\$ -	\$ 1,306,629	\$ 1,306,629	\$ 1,100,100
FUND EQUITY:				
Retained Earnings:				
Reserved for Retirement System	\$ 6,138	\$ -	\$ 6,138	\$ 3,065
TOTAL LIABILITIES AND FUND EQUITY	\$ 6,138	\$ 1,306,629	\$ 1,312,767	\$ 1,103,165

CITY OF JENNINGS, LOUISIANA

ZIGLER COMPLEX FUND
 COMPARATIVE BALANCE SHEET
 JUNE 30, 1996 AND 1995

	<u>JUNE 30,</u> 1996	<u>JUNE 30,</u> 1995
<u>ASSETS</u>		
<u>CURRENT ASSETS:</u>		
Investments, at Cost	\$ -	\$ 10,000
Due from Clearing Fund	10,310	24,559
Prepaid Insurance	1,148	1,148
	<hr/>	<hr/>
Total Current Assets	\$ 11,458	\$ 35,707
 <u>PROPERTY, PLANT AND EQUIPMENT:</u>		
Building and Improvements	\$ 394,321	\$ 332,531
Furniture and Fixtures	49,431	49,597
	<hr/>	<hr/>
	\$ 443,752	\$ 382,128
Less: Accumulated Depreciation	(196,549)	(174,770)
Net Property, Plant and Equipment	<hr/>	<hr/>
	\$ 247,203	\$ 207,358
	<hr/>	<hr/>
Total Assets	\$ 258,661	\$ 243,065
 <u>LIABILITIES AND FUND EQUITY</u>		
<u>LIABILITIES:</u>		
Accounts Payable	\$ 144	\$ 40
Lessee Deposits	1,276	1,276
Total Liabilities	<hr/>	<hr/>
	\$ 1,420	\$ 1,316
 <u>FUND EQUITY:</u>		
Retained Earnings:		
Unreserved	<hr/>	<hr/>
	\$ 257,241	\$ 241,749
	<hr/>	<hr/>
Total Liabilities and Fund Equity	\$ 258,661	\$ 243,065
	<hr/>	<hr/>

CITY OF JENNINGS, LOUISIANA
 UTILITY FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996	JUNE 30, 1995 (RESTATED)
Cash Flows from Operating Activities:		
Operating Income (Loss)	\$ 186,139	\$ 236,883
Adjustments to Reconcile Operation Income to Net Cash Provided by Operating Activities:		
Depreciation	113,662	96,285
(Increase) in Receivables	2,314	3,815
(Increase) in Inventory	2,279	(604)
(Increase) in Prepaid Insurance	-	1,926
Increase (Decrease) in Accounts Payable	776,703	118,806
Increase in Accrued Payables	5,244	430
Net Cash Provided by Operating Activities	\$ 1,086,341	\$ 457,541
Cash Flows from Non-Capital Financing Activities:		
Decrease (Increase) in Due from Other Governments	\$ -	\$ 58,434
Operating Transfers In	603,411	291,667
Operating Transfers (Out)	(126,031)	(126,614)
Contributed Capital	-	104,898
Net Cash Provided (Used) by Non-Capital Financing Activities	\$ 477,380	\$ 328,385
Cash Flows from Capital and Related Financing Activities:		
Increase in Liabilities Payable from Restricted Assets	\$ 5,215	\$ 8,330
Acquisition of Fixed Assets	(181,351)	(307,561)
Construction	(1,573,704)	(8,349)
Proceeds from DEQ Loan	1,136,270	-
Other	860	-
Net Cash (Used) by Capital and Related Financing Activities	\$ (612,710)	\$ (307,580)
Cash Flows from Investing Activities:		
Purchase of Short-Term Investments	\$ (691,264)	\$ (625,143)
Redemption of Short-Term Investments	100,000	248,603
Interest Income	47,719	19,912
Net Cash Provided (Used) by Investing Activities	\$ (543,545)	\$ (356,628)
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 407,466	\$ 121,718
Cash and Cash Equivalents-Beginning of Year	267,002	145,284
Cash and Cash Equivalents-End of Year	\$ 674,468	\$ 267,002
Cash and Cash Equivalents-End of Year Consist of:		
Unrestricted Cash	\$ 400	\$ 400
Unrestricted Cash in Clearing Fund	663,341	256,530
Restricted Cash in Clearing Fund	5,440	-
Restricted Cash	5,287	10,072
Total	\$ 674,468	\$ 267,002

OTHER SUPPLEMENTARY INFORMATION

FIDUCIARY FUNDS

Pension Trust Fund - To account for the accumulation of resources to be used for retirement annuity payments at appropriate amounts and times in the future to members of the fund. The fund does not account for the administrative costs of the system. These costs are borne by the General Fund. Resources are accumulated from the following: member contributions of 6% of gross pay and supplemental pay; 20% of the proceeds of alcoholic beverage licenses sold by the City; and 25% of all City Court fines collected. The responsibility for retirement annuity payments was transferred to the Municipal Police Employees Retirement System with the merger into that system.

Clearing Fund - To account for the City's funds in its "Clearing Fund" bank account. This fund receives and disburses all of the City's money, and charges or credits the appropriate fund.

CITY OF JENNINGS, LOUISIANA

ZIGLER COMPLEX FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNING AND CONTRIBUTED CAPITAL-BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR FISCAL YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
OPERATING REVENUES:				
Rent & Utility Charges	\$ 53,000	\$ 66,659	\$ 13,659	\$ 55,973
Miscellaneous Revenue	500	627	127	718
Total Operating Revenues	<u>\$ 53,500</u>	<u>\$ 67,286</u>	<u>\$ 13,786</u>	<u>\$ 56,691</u>
OPERATING EXPENSES:				
Rental Expenses:				
Salaries	\$ 13,411	\$ 12,013	\$ 1,398	\$ 12,188
Employee Benefits	578	456	122	478
Supplies	100	11	89	25
Repairs & Maintenance	24,000	21,375	2,625	19,694
Depreciation	21,000	22,634	(1,634)	23,370
Audit Expense	780	810	(30)	726
Insurance	5,170	4,213	957	4,396
Utilities	24,000	25,863	(1,863)	22,086
Miscellaneous	555	283	272	226
Total Operating Expenses	<u>\$ 89,594</u>	<u>\$ 87,658</u>	<u>\$ 1,936</u>	<u>\$ 83,189</u>
Operating Income (Loss)	\$ (36,094)	\$ (20,372)	\$ 15,722	\$ (26,498)
NONOPERATING REVENUE (EXPENSE):				
Interest Income	\$ -	\$ 864	\$ 864	\$ 1,161
(Loss) on Disposition of Equipment	-	-	-	(2,037)
Total Nonoperating Revenue	<u>\$ -</u>	<u>\$ 864</u>	<u>\$ 864</u>	<u>\$ (876)</u>
Income (Loss) Before Operating Transfers	<u>\$ (36,094)</u>	<u>\$ (19,508)</u>	<u>\$ 16,586</u>	<u>\$ (27,374)</u>
OPERATING TRANSFERS IN (OUT):				
From Capital Improvement Fund	<u>\$ 35,000</u>	<u>\$ 35,000</u>	<u>\$ -</u>	<u>\$ -</u>
Net Income (Loss)	<u>\$ (1,094)</u>	<u>\$ 15,492</u>	<u>\$ 16,586</u>	<u>\$ (27,374)</u>
Unreserved Retained Earnings, Beginning	<u>\$ 241,749</u>	<u>\$ 241,749</u>	<u>\$ -</u>	<u>\$ 269,123</u>
Unreserved Retained Earnings, Ending	<u><u>\$ 240,655</u></u>	<u><u>\$ 257,241</u></u>	<u><u>\$ 16,586</u></u>	<u><u>\$ 241,749</u></u>

CITY OF JENNINGS, LOUISIANA

PENSION TRUST FUND
 STATEMENT OF REVENUES, EXPENSES AND
 CHANGES IN RETAINED EARNINGS-BUDGET AND ACTUAL
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996			JUNE 30, 1995 ACTUAL
	BUDGET	ACTUAL	VARIANCE FAVORABLE (UNFAVORABLE)	
<u>OPERATING REVENUES:</u>				
Employee Contributions	\$ -	\$ -	\$ -	\$ -
<u>OPERATING EXPENSES:</u>				
Retirement Annuities	\$ 70,895	\$ 30,335	\$ 40,560	\$ 68,658
Miscellaneous	260	270	(10)	242
Total Operating Expenses	<u>\$ 71,155</u>	<u>\$ 30,605</u>	<u>\$ 40,550</u>	<u>\$ 68,900</u>
Operating (Loss)	<u>\$ (71,155)</u>	<u>\$ (30,605)</u>	<u>\$ 40,550</u>	<u>\$ (68,900)</u>
<u>NONOPERATING REVENUE:</u>				
Interest Income	\$ 500	\$ 45	\$ (455)	\$ 145
Licenses & Fines:				
20% Bear & Liquor Licenses	3,000	3,055	55	2,863
25% City Court Fines	12,500	9,980	(2,520)	13,164
Total Nonoperating Revenues	<u>\$ 16,000</u>	<u>\$ 13,080</u>	<u>\$ (2,920)</u>	<u>\$ 16,172</u>
(Loss) Before Operating Transfers	<u>\$ (55,155)</u>	<u>\$ (17,525)</u>	<u>\$ 37,630</u>	<u>\$ (52,728)</u>
<u>OPERATING TRANSFERS IN:</u>				
From General Fund	<u>\$ 55,155</u>	<u>\$ 20,598</u>	<u>\$ (34,557)</u>	<u>\$ 51,145</u>
Net Income (Loss)	<u>\$ -</u>	<u>\$ 3,073</u>	<u>\$ 3,073</u>	<u>\$ (1,583)</u>
Unreserved Retained Earnings-Beginning	\$ -	\$ -	\$ -	\$ -
Less:				
(Increase) Decrease in Reserve for Retirement System	<u>-</u>	<u>(3,073)</u>	<u>(3,073)</u>	<u>1,583</u>
Unreserved Retained Earnings-Ending	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>	<u><u>\$ -</u></u>

CITY OF JENNINGS, LOUISIANA

PENSION TRUST FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE ACTUAL AMOUNTS FOR THE FISCAL YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996	JUNE 30, 1995
	<u> </u>	<u> </u>
Cash Flows from Operating Activities:		
Operating (Loss)	\$ (30,605)	\$ (68,900)
Adjustments to Reconcile Operation Income to		
Net Cash Provided by Operating Activities:		
Net Changes in Assets & Liabilities:		
Decrease (Increase) in Receivables	2,091	(2,091)
Net Cash (Used) by Operating Activities	<u>\$ (28,514)</u>	<u>\$ (70,991)</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers In	\$ 20,598	\$ 51,145
Licenses and Fees	<u>13,035</u>	<u>16,027</u>
Net Cash Provided by Non-Capital Financing		
Activities	<u>\$ 33,633</u>	<u>\$ 67,172</u>
Cash Flows from Investing Activities:		
Interest Income	<u>\$ 45</u>	<u>\$ 145</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ 5,164	\$ (3,674)
Cash and Cash Equivalents at Beginning of Year	<u>974</u>	<u>4,648</u>
Cash and Cash Equivalents at End of Year	<u><u>\$ 6,138</u></u>	<u><u>\$ 974</u></u>
Cash and Cash Equivalents at End of Year Consist of:		
Unrestricted Cash in Clearing Fund	<u><u>\$ 6,138</u></u>	<u><u>\$ 974</u></u>

GENERAL FIXED ASSETS ACCOUNT GROUP

To account for fixed assets not used in Proprietary Fund operations.

CITY OF JENNINGS, LOUISIANA
 STATEMENT OF GENERAL FIXED ASSETS
 JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR JUNE 30, 1995

	<u>JUNE 30, 1996</u>	<u>JUNE 30, 1995</u>
<u>GENERAL FIXED ASSETS, AT COST:</u>		
Land	\$ 922,345	\$ 907,580
Buildings & Improvements	2,710,822	2,500,822
Machinery & Equipment	<u>2,989,822</u>	<u>2,691,221</u>
Total General Fixed Assets	<u>\$ 6,622,989</u>	<u>\$ 6,099,623</u>
<u>INVESTMENT IN GENERAL FIXED ASSETS:</u>		
Property Acquired Prior to 7/1/86*	\$ 4,782,279	\$ 4,717,112
Property Acquired After 7/1/86 From:		
General Fund Revenues	382,816	350,427
Special Revenue Fund Revenues	1,428,738	1,002,928
Donations	<u>29,156</u>	<u>29,156</u>
Total Investment in General Fixed Assets	<u>\$ 6,622,989</u>	<u>\$ 6,099,623</u>

* Records reflecting source from which assets were acquired were not maintained prior to 7/1/86.

CITY OF JENNINGS, LOUISIANA

SCHEDULE OF CHANGES IN GENERAL FIXED ASSETS
BY FUNCTION AND DEPARTMENT
FOR THE YEAR ENDED JUNE 30, 1996

	GENERAL FIXED ASSETS 7/1/95	ADDITIONS & TRANSFERS IN	DELETIONS & TRANSFERS OUT	GENERAL FIXED ASSETS 6/30/96
GENERAL GOVERNMENT:				
Legal Department	\$ 45,179	\$ 2,520	\$ 775	\$ 46,924
Finance Department & Administrative Building	760,194	43,688	26,376	777,506
Total General Government	\$ 805,373	\$ 46,208	\$ 27,151	\$ 824,430
PUBLIC SAFETY:				
Police Department	\$ 1,105,497	\$ 115,869	\$ 14,060	\$ 1,207,306
Fire Department	1,444,916	288,739	5,660	1,727,995
Total Public Safety	\$ 2,550,413	\$ 404,608	\$ 19,720	\$ 2,935,301
PUBLIC WORKS:	\$ 832,746	\$ 18,615	\$ 47,222	\$ 804,139
SANITATION:	59,284	-	-	59,284
CULTURE-RECREATION:	1,369,257	158,559	20,134	1,507,682
CEMETERY:	233,976	2,731	-	236,707
LIBRARY:	248,576	6,871	-	255,447
TOTALS	\$ 6,099,625	\$ 637,592	\$ 114,227	\$ 6,622,990

GENERAL LONG-TERM DEBT ACCOUNT GROUP

To account for unmatured principal amounts on general long-term debt expected to be financed from governmental type funds. Payments of maturing bond obligations, including interest, are accounted for in the Debt Service Funds. Also, to account for unpaid leave due to employees of governmental type funds.

CITY OF JENNINGS, LOUISIANA

STATEMENT OF GENERAL LONG-TERM DEBT
JUNE 30, 1996
WITH COMPARATIVE TOTALS FOR JUNE 30, 1995

	<u>JUNE 30, 1996</u>	<u>JUNE 30, 1995</u>
<u>AMOUNT AVAILABLE AND TO BE PROVIDED FOR THE RETIREMENT OF GENERAL LONG-TERM DEBT:</u>		
Amount to be Provided for Accumulated Unpaid Leave	\$ 47,424	\$ 60,046
Total Available and to be Provided	<u>\$ 47,424</u>	<u>\$ 60,046</u>
<u>GENERAL LONG-TERM DEBT PAYABLE:</u>		
Accumulated Unpaid Leave	\$ 47,424	\$ 60,046
Total General Long-Term Debt Payable	<u>\$ 47,424</u>	<u>\$ 60,046</u>

CITY OF JENNINGS, LOUISIANA

ZIGLER COMPLEX FUND
 STATEMENT OF CASH FLOWS
 FOR THE FISCAL YEAR ENDED JUNE 30, 1996
 WITH COMPARATIVE TOTALS FOR THE FISCAL YEAR ENDED JUNE 30, 1995

	JUNE 30, 1996	JUNE 30, 1995
	<u> </u>	<u> </u>
Cash Flows from Operating Activities:		
Operating (Loss)	\$ (20,372)	\$ (26,498)
Adjustments to Reconcile Operating Income to Net Cash Provided by Operating Activities:		
Depreciation	22,634	23,370
Net Changes in Assets and Liabilities:		
Increase (Decrease) in Accounts Payable	<u>104</u>	<u>(6)</u>
Net Cash Provided by Operating Activities	<u>\$ 2,366</u>	<u>\$ (3,134)</u>
Cash Flows from Non-Capital Financing Activities:		
Operating Transfers In	<u>\$ 35,000</u>	<u>\$ -</u>
Net Cash Provided (Used) by Non-Capital Financing Activities	<u>\$ 35,000</u>	<u>\$ -</u>
Cash Flows from Capital and Related Financing Activities:		
Increase in Liabilities Payable from Restricted Assets		
Acquisition of Fixed Assets	<u>\$ (62,479)</u>	<u>\$ (6,512)</u>
Net Cash (Used) by Capital and Related Financing Activities	<u>\$ (62,479)</u>	<u>\$ (6,512)</u>
Cash Flows from Investing Activities:		
Purchase of Short-Term Investments	\$ (10,000)	\$ (10,000)
Redemption of Short-Term Investments	20,000	10,000
Interest Income	<u>864</u>	<u>1,161</u>
Net Cash Provided by Investing Activities	<u>\$ 10,864</u>	<u>\$ 1,161</u>
Net Increase (Decrease) in Cash and Cash Equivalents	\$ (14,249)	\$ (8,485)
Cash and Cash Equivalents-Beginning of Year	<u>24,559</u>	<u>33,044</u>
Cash and Cash Equivalents-End of Year	<u><u>\$ 10,310</u></u>	<u><u>\$ 24,559</u></u>
Cash and Cash Equivalents-End of Year Consist of:		
Unrestricted Cash in Clearing Fund	<u><u>\$ 10,310</u></u>	<u><u>\$ 24,559</u></u>